

**Agreement  
Between**

**The Constantine Board of Education  
And  
Southwestern Michigan Education Association  
MEA/NEA**

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## Article I

### Recognition Clause

- A. This agreement shall be effective as of the date ratified by both parties and shall continue until July 31, 2016.
- B. Pursuant to Act 379, Public Acts of 1965, as amended, the Constantine Board of Education (hereinafter referred to as the Board) recognizes the Southwestern Michigan Education Association, MEA/NEA (hereinafter referred to as the SMEA or Association) as the exclusive bargaining agent for employees of the Board (hereinafter referred to as employees) in the bargaining unit defined as:

All professional certified personnel with regular teaching assignments including personnel on tenure and probationary teachers. This includes guidance counselors, student services coordinator, and teaching specialists, but excluding the superintendent, all principals (full or part-time), alternative education coordinator and teachers, assistant principals, substitute teachers, administrative assistants, athletic director, school media specialists, and all other employees.

During that portion of the day when the Administrative Assistant, Alternative Education Coordinator, or Athletic Director is in a teaching assignment; he/she shall be covered by the Master Agreement and shall be considered a member of the teachers bargaining unit. Dues will be paid the association as follows:

- C. The Board agrees not to negotiate with any organization purporting to represent teachers, other than the SMEA, for the duration of this agreement.
- D. Any reference to male teachers in this agreement shall include female teachers.

## Article 2

### Association and Teacher's Rights

- A. Pursuant to Act 379 of the Public Acts of 1965, the Board hereby agrees that all teachers shall have the right freely to organize, join, and support the Association for the purpose of engaging in collective bargaining or negotiations. As a duly elected body exercising governmental power under the color of law of the State of Michigan, the Board undertakes and agrees that it will not directly or indirectly discourage or deprive or coerce any teacher in the enjoyment of any rights conferred by Act 379; that it will not discriminate against any teacher with respect to hours, wages, or any terms or conditions of employment by reason of his/her membership in the Association, his participation in any activities of the Association or collective professional negotiations with the Board, or the institution of any grievance, complaint, or proceeding under this agreement.

- B. Nothing contained herein shall be construed to deny or restrict to any teacher, rights he or she may have under the Michigan General School Laws or Public Act 379.
- C. The employees in the bargaining unit shall be permitted to use school buildings, upon approval of the administration, at reasonable hours for meetings, provided that, when special custodial service is required, the Board may make a reasonable charge therefore.
- D. Upon proper notification of the building administrator, duly authorized representatives of the SMEA shall be permitted to transact necessary official business at reasonable times provided that this shall not interfere with, nor interrupt the instructional program or normal school operations.
- E. Upon proper notification of the building administrator, the employees in the bargaining unit shall be permitted to use school equipment, including computers (subject to the Districts Acceptable Use Policy), copiers, other duplicate equipment.
- F. The Association shall have the right to post notices of its activities and matters of SMEA concern on teacher work room bulletin boards, at least one of which shall be provided in each school building. The SMEA may use the teachers' mailboxes for communication to teachers. No teacher shall be prevented from wearing the insignia, pins, or other identification of membership in the Association either on or off school grounds.
- G. The Board agrees to furnish to the Association, in response to written requests, information concerning the financial resources of the district, together with information which may be necessary for the Association to process any grievance. Copies of the minutes of the Board meetings shall be furnished to the SMEA Designee and to no more than four (4) designated building representatives.
- H. Upon the request of the Association, the Board shall consult with the teachers on any new or modified fiscal, budgetary, or tax programs; construction programs, or major revisions of educational policies and the Association may advise the Board with respect to said matters prior to their adoption and/or general publication.
- I. The private and personal life of a teacher is not within the appropriate concern or attention of the Board unless such action of the teacher affects his/her ability to effectively carry out the duties of a teacher in the School District.

### **Article 3**

#### **Board Rights**

- A. In order to carry out its responsibility for the development and operation of educational programs providing the best possible educational opportunity for the Constantine School District consistent with community resources, the Board retains and reserves unto itself all powers, rights, authority, duties, and responsibilities conferred upon and vested in the Board by law including by way of illustration, and not by way of limitation, the following;

1. The supervision, direction, and control of the management and administration of the school system, its properties and facilities.
  2. The right to hire all employees and subject to the provisions of the law to determine their qualifications, to discharge, demote and promote employees for reasonable and just cause which are arbitrary and capricious.
  3. The right to establish grades and courses of instruction, including special programs, and to provide for athletic, recreational and social events for students as deemed necessary or advisable by the Board.
  4. The selection of textbooks and teaching materials and various teaching aids.
  5. The right to determine class schedules, class size, the hours of instruction and assignment of teachers with respect thereto.
  6. The right to require an employee to undergo a medical examination, cost to be borne by Constantine Public Schools, if there is reasonable cause as determined through documentation by the administrator and/or superintendent to believe the employee cannot perform the duties of his/her position or that the employee poses a threat to himself, herself or others.
- B. The exercise of the foregoing powers, rights, duties, and responsibilities by the Board and the adoption of policies rules, regulations and practices in the furtherance thereof, shall be the exclusive prerogative of the Board except as otherwise limited by provisions of this Agreement.
- C. The Board will adhere to the legislated prohibited subjects of bargaining; discipline, placement of employees, recall and evaluation.

## **Article 4**

### Teaching Hours and Class Loads

- A. The instructional school day will be seven (7) hours and twenty (20) minutes. The Administration will set the normal teaching hours for each building, which may be extended for the purpose of faculty meetings, parent-teacher conferences, open houses, IEP staffing, or placement meetings. Teachers' will be in their respective buildings ten (10) minutes prior to student instructional time, either in their classroom or supervising hallways, as determined by the building administrator. The 10-minute reporting time requirement may be reduced if inequitable time between buildings occurs due to bus schedules.
1. The principal may expect teachers to remain at school after the normal day, when necessary in his/her judgment, to solve a problem which cannot be handled during the regular school day. When possible this request will be made at least one (1) day in advance.
  2. Professional Development for teachers will be schedule one time per week (Wednesday) for one hour prior to the start of the school day.

3. The Board and Association understand and agree that the Board may adjust the normal teaching hours to satisfy State requirements pertaining to hours of pupil instruction, as specified in Section 1284(1) of the Revised School Code.
4. If, during the course of the school year, it becomes necessary to add hours to make-up for lost hours of instruction, the Board will consult with the CEA prior to making any adjustments in an attempt to develop a mutual agreement as to how the time will be added. The CEA will have 10 working days after being notified of the need to add time to come to a mutual agreement with the Board or the Board's designee. If mutual agreement cannot be met in that time period, the Board or its designee reserves the right to make a final determination so as to avoid any penalty.

- B. All teachers shall be entitled to a duty-free, uninterrupted, thirty (30) minute lunch period; however, in cooperation with the Administration and the Association, teachers may be requested to assist with supervision during an emergency situation or problems connected with inclement weather.

The teaching load will provide forty-five minutes per day, excluding lunchtime, for teachers' preparation. Preparation time shall be accumulated using no more than 3 blocks of time per day.

Prior to a major change in a building program, such as, but not limited to: Block Scheduling, MAC, Team-Teaching, the building administrator will consult with the staff and building School Improvement Team.

- C. Full-time teachers employed by the district in special areas (art, music, special education, media specialists, alternative education coordinator, and counselors) shall be provided with lunch preparation time to the same extent as other teachers in the district.
- D. No departures from these norms, except in the case of an emergency, shall be made without mutual consent of teacher and administration.
- E. Daily preparation for effective teaching, correcting examination papers, themes, attending faculty meetings, and similar activities require many hours of application outside the classroom and add to the professional responsibilities of the teacher.
- F. An employee member of the bargaining unit, when required by a mediator, fact-finder or arbitrator, to engage in contract negotiations or formal grievance negotiation regarding the Constantine contract, shall be released from regular duties without loss of pay.

## Article 5

### Special Student Programs

- A. The parties recognize that some children have special physical, mental, and emotional problems that may require specialized classroom experiences. Special attention will be given to reducing class size or providing other special assistance when children with special needs are placed in regular classrooms.
  
- B. The Constantine administration, Board and teachers dedicate themselves to working with these students, their parents, and the St. Joseph County Intermediate School District to provide programs that meet their needs.

## Article 6

### Teaching Conditions

- A. ~~The parties recognize that the availability of best school facilities for both the student and teacher is desirable to insure the high quality of education that is the goal of both teacher and the Board.~~

The recommended goals for class size may or may not be achieved and are listed below;

1. Kindergarten	22	
2. Grades 1-3	23	
3. Grades 4-5	25	
4. English	)	
Social Studies	)	
General Education	)	
Mathematics	)	25
Science	)	
Language	)	
Business	)	
Industrial Arts	20	
Art	25	
Music	35	
Band	No Limit	
P.E.	40	
Health	25	

- B. The Board recognizes that appropriate tests, media center reference facilities, maps and globes, laboratory equipment, audio-visual equipment, art supplies, athletic equipment, current periodicals, standard tests and questionnaires, and similar materials are the tools of the teaching profession. The parties will confer annually for the purpose of improving the selection and use of such educational tools and the Board undertakes promptly to implement all joint decisions thereon made by its representative and the Association. The Board agrees, within its financial ability, to keep the schools reasonably and properly equipped and maintained. No teacher shall be required to spend his/her money on supplies for the school.
- C. Under no conditions shall a teacher be required to drive a school bus as part of his/her regular teaching assignment.
- D. The Board will make available in each school at least one room, appropriately furnished, which shall be reserved for use as a faculty lounge in which smoking is not permitted. The Constantine Public School's campus (within and outside of buildings) became a smoke free environment as of 8/1/93.



- E. Telephone facilities shall be made available to teachers for their reasonable use. All personal long distance calls shall be charged to the teacher's home phone number or personal calling card. The District will not be financially responsible for personal phone calls.

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- F. Enough parking facilities shall be made available to teachers for their exclusive use during regular school hours.
- G. Notwithstanding their employment, teachers shall be entitled to full rights of citizenship and no religious or political activities of any teacher or the lack thereof shall be grounds for any discipline or discrimination with respect to the professional employment of such teacher.

## Article 7

### Qualifications

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- A. Both the Board and the Association agree it is highly desirable to set and maintain high qualifications for teachers. The parties acknowledge the legal and professional obligations of the school district to comply with the provisions of the No Child Left Behind Act of 2001, 20 USC 6301 et seq., and the regulations promulgated thereunder, including adequately yearly bargaining agreement shall be applied or construed, directly or indirectly, to in any manner interfere with or prohibit the school district from fully complying with the definitions standards and requirements of the NCLB Act.

## Article 8

### Layoff Recall Procedures and Seniority

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- A. For purposes of the Article, seniority shall be defined as an employee's length of continuous service with the school district from the employee's last date of hire. When two or more employees have the same years of service and dates of hire, they will be ranked in order of their respective Board approval dates. When two or more employees have the same years of service and dates of hire, they will be ranked in order of their respective Board approval dates. When two or more employees have the same Board approval dates, they will be ranked by having the most graduate hours beyond the BA or BS degree. If still tied, a lottery will be used with participation by all affected bargaining unit members. Seniority shall accrue during Board approved leaves of absence. Seniority shall be frozen for the duration of a layoff period.
1. No later than thirty (30) days following the implementation of this Agreement, and by every November 30 thereafter, the District shall prepare a seniority list, ranking employees in order of their seniority, and provide a copy to the Association President and each building representative for posting. In the circumstances where the lottery is necessary, all individuals so affected will participate in a drawing to determine placement on the seniority list. The Association and bargaining unit members so affected will be notified in writing of the date, place, and time of the drawing. The drawing shall be conducted openly and at a time and place that will reasonably allow affected bargaining unit members and Association representatives to be in attendance. All affected bargaining unit members will be notified in writing by the central office of the results of the drawing within forty-eight (48) hours of the drawing.
  2. A copy of the seniority list shall be given to the Association upon its written request.
  3. Bargaining unit members employed in a teaching capacity of 50% or more of a normal load will accrue full-year seniority. Association member who teach less than 50% of a full load will have their seniority pro-rated according to the teaching load assigned. This procedure shall begin with the 1992-93 school year and shall not be applied retroactively.
- B. Teachers will not be entitled to any compensation or benefits while on lay-off. However, subject to approval and regulations of the carrier, teachers will be allowed to make premium payments toward health insurance (cobra).
- C. Teachers shall inform the Superintendent, in writing, of any contemplated changes in certification or highly qualified status by May 1<sup>st</sup> of each year.

## Article 9

### Illness or Disability, Personal Business, Unpaid Leaves of Absence

- A. Each teacher will be granted ten (10) days sick leave of absence per year. Teacher newly employed shall not receive sick leave allowance until such time as they have actually reported for duty and have provided service for not less than one day. The teacher may use all or any portion of his or her leave to recover from his or her illness or disability, which shall include childbirth and complications of pregnancy.
- B. The unused portion of such allowance shall accumulate from year to year. If such credit results in the accumulation of 50 days or more, the Board will pay the teacher upon retirement from the District, in the following manner; 1 – 100 accumulated days - \$15 per day (\$1,500 maximum), 101 – 201 accumulated days = \$25 per day (\$2,500 maximum in addition to the monies received from 1 – 100 days). A maximum of \$4,000 may be granted for 201 days accumulated. No additional pay will be granted for unused sick day beyond 201.
- C. Any unused personal days roll over to accumulated sick days at the end of the school year.
- D. Any teacher whose personal illness or disability, including childbirth and complications of pregnancy, extending beyond the period compensated by Section A shall be granted a leave of absence without pay for such time as is necessary for complete recover from such illness or disability, including childbirth and complications of pregnancy, up to one (1) calendar year for tenure teacher and up to June 1<sup>st</sup> of the current school year of probationary teachers.

Except as required by the FMLA no benefits will provided by the District while a bargaining unit member is on unpaid leave. Subject to the approval of the insurance carrier, a bargaining unit member will be given the option of continuing insurance benefits at his/her own expense during an unpaid leave after exhaustion of the District's obligation to pay such benefits. In the event a bargaining unit member elects to continue insurance benefits at his/her own expense, the bargaining unit member shall pay the full premium payments owed by the bargaining unit member to the District before the first day of the month during which coverage is being extended. A pro-rata payment shall be made for a partial month of coverage.

- E. Leaves of absence with pay chargeable against the teacher's sick leave allowance may be granted for the following reasons:
  - 1. A maximum of ten (10) days per school year for illness or major family event in the immediate family. In hardship cases, a teacher may file a written request with the Board, for use of additional accumulated sick leave days. The decision of the Board will be final and this decision will not be subject to arbitration. Immediate family shall be defined as spouse, parents, children, brother, sister, mother-in-law, father-in-law, grandparent, grandchild, or any person for whom a teacher has care, control, and custody.

2. Doctor, dentist or other appointments dealing directly with the teacher's health, but excluding routine medical appointments.
  3. One (1) day, except when travel requires additional time, for attendance at school graduation of a son, daughter, husband or wife, with Superintendent or his designee approval.
  4. Time necessary for attendance at the funeral service of a person whose relationship to the teacher warrants such attendance, with administrative approval.
- F. Leaves of absence with pay not chargeable against teacher's sick leave allowance shall be granted for the following reasons:
1. Death Leaves – Three (3) days per incident using present immediate family definition with additional days approved by the Board only.
  2. Court Appearance as a witness in any case connected with the teacher's employment or the school or whenever a teacher is subpoenaed to attend any proceeding.
  3. At the beginning of every school year, each teacher shall be credited with time to be used for the teacher's professional business. Professional business days shall be used for purpose of:
    - a. Visitation to view other instructional techniques or programs;
    - b. Conferences, workshops, or seminars conducted by colleges, universities, or other professional organizations. The teacher planning to use a professional business day, shall apply at least three (3) days in advance. Professional business days will be taken only with the prior approval of the administration, which may deny teachers' requests if funds are lacking or if the administration determines the activity not to be worthwhile. The teacher may be requested to file a written report within one (1) week of his/her attendance at such visitation, conference, workshop or seminar.
  4. Personal Days – Two (2) days, for the conduct of personal affairs which cannot be handled normally outside school hours. All medical situations shall be covered under Paragraph A.
    - a. The day immediately preceding or the day immediately following a school vacation will not be recognized by the Board as a personal leave day with the exception, however, of such cases, which may cause undue hardship on the individual concerned. Circumstances presenting unusual conditions will be reviewed upon request by the Principal to determine whether such time will be granted.
    - b. No personal day will be granted for the first or last day of the school year in which teachers are to report.
    - c. Each request for personal leave shall be in writing

- d. The teacher shall prepare necessary lesson plans or other professional materials necessary for the performance of the teacher's duties by a substitute.
  - e. The Employer shall not be required to grant leave on any one day to more than two (2) teachers from any one building.
- G. Leaves of absence without pay may be granted upon application for the following purposes:
- 1. Study related to the teacher's licensed field.
  - 2. Study to meet eligibility requirement for a license other than that held by the teacher.
  - 3. Study, research, or special teaching assignment involving probable advantage to the school system.
- H. At the beginning of each school year, the Association shall be credited with a pool of ten (10) Association business leave days with pay. These days shall be used at the direction and discretion of the Association for Association-related business, and shall not be used for more than two (2) consecutive school days by any one teacher. The appropriate building principal shall be notified three (3) days in advance of the use of an Association business day. The Association shall fully reimburse the Board for the cost of substitutes necessitated by the use of Association business days.

## Article 10

### Academic Freedom

- A. The parties seek to educate young people in the democratic tradition, to foster a recognition of individual freedom and social responsibility, to inspire meaning awareness of and respect for the Constitution and the Bill of Rights, and to instill appreciation of the values of individual personality.
- B. Academic freedom shall be guaranteed to teacher to study, to investigate, to interpret facts and ideas concerning man, human society, the physical and biological world, and other branches of learning commensurate with the law of the State of Michigan and approved curriculum guides of the Constantine Public Schools. Media center materials and adopted textbooks shall be considered as part of the approved curriculum guides. In the absence of an approved curriculum guide, the principal's approval will be required.
- C. Academic Freedom carries with it many responsibilities when we consider that students in public schools are in fact a captive audience.
  - 1. Teachers have an obligation to preserve an attitude of impartiality when dealing with controversial issues in classroom situations.
  - 2. Not all topics are suitable for discussion by children of any age.
  - 3. Good judgment must be used by teacher in the timing of teaching controversial issues.
  - 4. The role of the teacher in the presentation of controversial issues may be delicate but is not impossible.

## Article 11

### Professional Behavior

- A. Teachers are expected to comply with reasonable rules, regulations, and directions from time to time adopted by the by the Board or its representatives , which are not inconsistent with the provisions of this Agreement, provided that a teacher may reasonably refuse to carry out an order which threatens physical safety or well-being or is professionally demeaning. Any order which the teacher consider to be threatening to physical safety or well-being or is professionally demeaning shall be reported, in writing, to the Superintendent of School's Office within two (2) business days.
  
- B. The Association recognizes that abuses of sick leave or other leaves, chronic tardiness or absence, willful deficiencies in professional performance, or other violations of discipline by a teacher reflect adversely upon the teaching profession and create undesirable conditions in the school building. Medical releases and/or excuses used for verification of leaves of 5 consecutive days or longer, must be submitted to the teacher's principal no later than the day of return from a medical leave.
  
- C. A bargaining unit member will have the right to review the contents of their personnel file in accordance with the provisions of the Employee Right-to-Know Act (Public Act No. 397 of 1978, as amended). The bargaining unit member shall have the right to have a representative of the Association accompany him/her in such a review. The employee may obtain a copy of any or all information contained in the file upon request and in accordance with the Employee Right-to-Know Act. The member may submit a written notation or reply regarding any material found in their personnel file and the same shall be attached to the file copy of the material in question. When individual performance and/or disciplinary material is to be placed in a member's file, the affected member shall review and sign said material; such signature shall be understood to indicate awareness of the material but in no instance shall said signature be interpreted to mean agreement with the content of the material.



## **Article 12**

### **Maintenance of Standards**

- A. Teaching hours, relief periods, and leaves shall be maintained at not less than the highest minimum standards in effect in the district at the time this Agreement is signed, provided that such conditions shall be improved for the benefit of teachers as required by the express provisions of this Agreement.
  
- B. All other conditions of employment and general working conditions shall be maintained except as student enrollment and/or lack of funds require changes. Full facts and information concerning such changes shall be furnished to the Association.

## Article 13

### Continuity of Operations

- A. Both parties recognize the desirability of continuous and uninterrupted operation of the instructional program during the normal school year, and the avoidance of disputes, which threaten to interfere with such operations. Since the parties are establishing a comprehensive grievance procedure under which unresolved disputes may be settled by an impartial third party, parties have removed the basic cause of work interruptions during the period of this Agreement. The Association accordingly agrees that it will not, during the period of this Agreement, directly or indirectly, engage in or assist in any strike, and the Board agrees it will not engage in any lockout, as defined by Section 1 of the Public Employment Relations Act.

## Article 14

### School Calendar

- A. The 2013-2016 school calendar and Professional Development days, as adopted, shall be set forth in Appendix A. Prior to adoption by the Board of the annual school calendar for subsequent years during the term of this Agreement, the Board agrees to negotiate the content thereof with representatives of the Association. When the calendar is agreed upon, it must satisfy requirements pertaining to minimum number of days and hours of instruction set forth in Section 1284 of the Revised School Code. In addition, it must satisfy the professional development day requirements set forth in Section 1527 of the Revised School Code.
- B. Scheduled days of instruction, which are not held because of conditions not within the control of school authorities, such as inclement weather, fires, epidemics, mechanical breakdowns, or health conditions, will be rescheduled, at the end of the regular school year to the extent permitted by law to insure that the district meets the annual instructional minimum number of days and hours required by law and Department of Education requirements so as to qualify the district for full state aid. Scheduled hours of student instruction which are not held because of delays may also be rescheduled in the event it is necessary to do so to satisfy State requirements pertaining to hours of pupil instruction. Teachers will receive their regular pay for days that are canceled or delayed but shall work the rescheduled days or hours with no additional compensation. Total annual salary is based on the contracted number of days and/or hours required during the entire school year.
- C. The Board of Education shall not be required to cancel a "workday/professional development day" (i.e., a day when teachers report but students are not in session such as an end of semester grading day, a parent teacher conference day, or an in-service day) or that portion of any day which is so scheduled. However, the Board may do so in its discretion. The Board shall not be required to reschedule a "workday/professional development day" or a partial workday/professional development day" which is canceled, but may do so in its discretion, provided the total amount of work time is not increased.
- D. When session days are delayed, teachers will report at least fifteen (15) minutes before the opening of the students' rescheduled school day. It is understood that the normal day may have to be revised when the beginning of the day is delayed. However, the school day will not be extended beyond the normal close of the school day. On any scheduled student session days when students do not report, it is agreed that bargaining unit members will be excused from reporting for duty unless it is a partial "work day" referred to above.
- E. If, at any time during the life of this Agreement, it becomes lawful to count as days of pupil instruction, days when pupil instruction is not provided due to conditions not within the control of school authorities in addition to the current thirty (30) hours, it is agreed that of these specific days bargaining unit members shall be excused from reporting to duty without loss of pay. These specific days lost due to school closing under the foregoing circumstances shall not be rescheduled. To the extent that any other provision of this Agreement is inconsistent with the foregoing, such provision shall be null and void to the extent of the inconsistency.

- F. In the event a teacher receives unemployment compensation benefits (which as used herein also includes "under-employment benefits") during the school year (associated with his/her regular teaching assignment) due to days of instruction not being held when scheduled because of conditions not within the control of school authorities as stated above, and those days of instruction are rescheduled so that the teacher works those instructional days at a later time, the teacher will have his/her pay adjusted, such that his/her unemployment compensation plus the salary paid to the teacher for the year will be equal to the annual salary he/she would have earned for the school year had there not been scheduled day of instruction canceled for such reasons.
  
- G. Any decision to cancel days, or delay the starting time, shall not be grieved.

## Article 15

### Professional Compensation

- A. The contract year begins on August 1 and ends on July 31 each year. Salary will be paid in 26/27 equal installments beginning on the last Friday in August or the first Friday in September, whichever allows for a continuation of the every other week pay cycle. In the event that using a 26 pay period year creates a gap in the pay cycle at the end of the year, a 27 pay year will be used. Employees may also choose to be paid in 22/23 equal installments rather than 26/27. The employee must notify the Business Office prior to August 1, each year or they will automatically be paid in 22 installments. The basic salaries of teachers covered by this agreement are set forth in Schedule B, which is attached to and incorporated in this Agreement.
- B. All teachers newly employed may be given full credit on the salary schedule set forth in Schedule B for full years of outside teaching experience in any school district in the State of Michigan and/or other teaching experience for which credit is allowed.
- C. Teacher will be moved on the salary schedule, provided they have given the District written notice, either at the beginning of the year (the first day of school) or at the halfway point (first day of school in February), upon verification of credits. If a teacher is awaiting verification they will remain in the previous year classification (BA, BA + 20, BA + 40, MA, MA + 10, MA + 20) until verification is approved. Pay will be retroactive upon verification.
- D. Credits to move over must be graduate level classes. Undergraduate level classes will only count towards salary advancement if preapproved, in writing, by the Superintendent.
- E. The salary schedule is based upon the regular school calendar as set forth in Schedule A and the normal teaching load as defined in this Agreement.
- F. Teachers involved in extra-duty assignments set forth in Schedules B-1 and B-2 which are attached to and incorporated in this Agreement shall be compensated in accordance with the provisions thereof.
- G. Teachers required in the course of their work to drive personal automobiles from one school building to another shall receive a car allowance at the current IRS rate upon submitting the appropriate district approved form for mileage reimbursement. Approved trip mileage: Current IRS rate for approved trips.
- H. Middle School Counselor and individuals temporarily covering elementary and social worker tasks that are CEA bargaining unit members will receive additional compensation as listed in the B-1 schedule. Additionally, they will be compensated for their specific school related work done before the contractual school year begins (August 1 or later) or after the contractual school year ends, with the prior approval of the building principal, at the normal daily rate of contractual obligation. The maximum amount for all counselors is 36 hours. Such work is to be scheduled and completed under the supervision of the respective building principal. Hours are the maximum allowed and the employee may complete their duties in fewer than the maximum allowed hours.

## Article 16

### Student Discipline and Teacher Protection

- A. The Board recognizes its responsibility to give all reasonable support and assistance to teachers with respect to the maintenance of control and discipline in the classroom.
- B. It is recognized that discipline problems are less likely to occur in classes which are well taught and where a high level of student interest is maintained. It is likewise recognized that, when discipline problems occur, they may most constructively be dealt with by encouragement, praise and emphasis upon the child's desirable characteristics. A teacher may use such force as is necessary in compliance with Michigan school law to protect him or her self from attack or to prevent injury to another student.

A written statement of discipline guidelines will be distributed to the teachers by the Board or its representative sometime during the first two weeks that school is in session each school year.

- C. A teacher may exclude a pupil from one class period when the grossness of the offense, the persistence of the misbehavior, or the disruptive effect of the violation makes the continued presence of the student in the classroom intolerable. In such cases, the teacher will furnish the principal, as promptly as his teaching obligations will allow, full particulars of the incident and contact the parent as mandated by the law.
- D. Suspension of student from school may be imposed only by a principal or his designated representative. School authorities will endeavor to achieve correction of student misbehavior through counseling and interviews with the child and his parents when warranted.
- E. Any case of assault upon a teacher shall be reported promptly to the Board or its designated representative. The Board will provide legal counsel and/or advise the teacher of his rights and obligations with respect to such assault and shall render all reasonable assistance to the teacher in connection with handling of the incident by law enforcement and judicial authorities.
- F. Time lost by a teacher to meet with attorney, police or judicial authorities in connection with any incident mentioned in the Article or school-connected lawsuit shall not be charged against the teacher if found innocent or provided the teacher has acted appropriately as determined by the proper forum of jurisdiction.
- G. Upon approval of the principal, the Board will reimburse teachers for any loss, damage, or destruction of clothing or personal property of teacher while on duty in the school or on a school assignment. The maximum to be paid is \$500 per incident, or up to no more than \$1,000 per year. (The maximums \$500 per incident and \$1,000 per year) may be increased to \$1,000 per incident and \$2,000 per year only by approval of the Board of Education. The Board's decision concerning the increased amounts is not subject to arbitration.

- H. No action shall be taken upon any complaint by a parent of a student directed toward a teacher; nor shall any notice thereof be included in said teacher's personnel file unless such matter is promptly reported in writing to the teacher concerned.

## **Article 17**

### **Student Grading**

- ~~A. The parties agree the evaluation of student performance is the responsibility of the professional staff working within the framework of the Board's policy on grading.~~
- B. Changing of a student's grade must be done in accordance with the Board policy.





Family Deductible	\$0
Benefit Maximum	\$1,000
Orthodontia Lifetime Maximum	\$1,200

Coverage Levels

Preventative	80%
Basic	80%
Major	50%
Endo/Perio	50%
Orthodontia	50%

Waiting Periods

Preventative	None
Basic	None
Major	None
Orthodontia	None

**Vision: Self-Funded Network Not Required**

**Basic Benefits**

Vision Exam	\$6.50 Deductible
Frames	\$18 Deductible up to \$130 Allowance
Lenses (Single/Bifocal)	Varies lens type
Lenses (Progressive)	Not Covered
Contact Lenses (Elective)	Up to \$110 Allowance
Contact Lenses (Medically)	Up to \$110 Allowance

**Frequency**

Exam	12 months
Frames	12 months
Lenses	12 months

**Term Life and AD&D Insurance: United of Mutual of Omaha Company**

Employee's must be actively at work (able to perform all normal duties for your job) to be eligible for coverage. Employee's must be working a minimum of 30 hours per week to be eligible for coverage and the employer will pay 100% of the premium for \$5,000 of Life Insurance Benefit amount.

50% of the amount of the life insurance benefit is available to the employee if terminally ill, up to \$100,000. There are age restrictions; at age 65, amounts reduce to 65%. At age 70+, amounts reduce to 50%. Coverage terminates at retirement.

## Article 19

### Professional Grievance Procedure

- A. A claim by a teacher of the Association that there has been a violation of any provision of this master contract may be processed as a grievance as hereinafter provided.
- B. If any teacher has a complaint regarding any condition of employment covered by the Michigan Teacher Tenure Act, such complaint or grievance shall be dealt with exclusively through the provision of said Act and the established procedures thereof.
- C. Limitations – The following matters shall not be submitted to arbitration under the procedure outlined in this article:
1. The termination of services of, or failure to re-employ any probationary teacher.
  2. Any dispute within the jurisdiction of a State or Federal agency.
  3. The termination of services or failure to re-employ any teacher to a position on the extra-curricular schedule.
  4. Any dispute concerning the content of an evaluation or the content of an insurance policy.
- D. For the purposes of this article, “days” will be defined as days that school is in session during the academic year and days that the central office is open for business during the summer break period between academic years.
- E. Level One. Within seven (7) days of the alleged violation, the teacher with a grievance shall discuss it with his/her immediate supervisor or principal, individually or together with his/her Association representative. In the event the aggrieved person is not satisfied with the disposition of his grievance his/her then, within four (4) days of the discussion, may invoke the formal grievance procedure.
- F. The grievant or association may invoke the formal grievance procedure on the form illustrated in Schedule C, signed by the grievant and/or an Association Officer. A copy of the grievance form shall be delivered to the principal or supervisor and to the Superintendent. If the grievance involves more than one school building, it may be filed with the superintendent or a representative designated by him/her.
- G. Level Two. Within seven (7) days of receipt of the grievance, the Superintendent shall meet with the principal or supervisor and the Association representative in an effort to resolve the grievance. Within seven (7) days of such meeting, the superintendent or his/her designee shall indicate his/her disposition of the grievance in writing and shall furnish a copy thereof to the Association.
- H. Level Three. If the Association is not satisfied with the disposition of the grievance by the superintendent or his/her designee, or if no disposition has been made within seven (7) days of such meeting or eight (8) days from the date of filing, whichever shall be later, the grievance shall be transmitted to the Board within seven (7) days by filing a written copy thereof with the Secretary or other designee of the Board. The Board, no later than its next regular meeting or

two calendar weeks, whichever shall be later, may hold a hearing on the grievance, review such a grievance in executive session, or give such other consideration as it shall deem appropriate. Disposition of the grievance in writing by the Board shall be made no later than seven (7) days thereafter. A copy of such disposition shall be furnished to the Association.

- I. Level Four. If the Association is not satisfied with the disposition of the grievance by the Board, or if no disposition has been made within the period above provided, the grievance parties cannot agree as to the arbitrator, he/she shall be selected by the American Arbitration Association in accord with its rules, which shall likewise govern the arbitration proceeding. The Board and the Association shall not be permitted to assert in such arbitration proceeding, any ground, or to rely on any evidence not previously disclosed to any other party. Both parties agree to be bound by the award of the arbitrator and agree that judgment thereon may be entered in any court of competent jurisdiction.
  
- J. Powers of the arbitrator are subject to the following limitations:
  1. The arbitrators shall have no power to alter, modify, disregard, add to, or subtract from the terms of this Agreement.
  2. The arbitrator shall have no power to establish salary scales or change any salary scales or schedules.
  3. In the event that a case is appealed to the arbitrator on which he/she has no power to rule, it shall be referred back to the parties without decision or recommendation on its merits.
  4. More than one grievance may not be considered by the arbitrator at the same time except upon express written mutual consent and then only if they are of similar nature.
  5. The arbitrator shall have no power to award interest or punitive damages.
  6. The arbitrator shall have no power to hear, consider or make a determination on a grievance issue which is claimed as a violation of state or federal law. A single grievance which has a combined claim of a contract violation and a violation of state or federal law shall have only the contract violation considered by the arbitrator.
  7. The arbitrator may not, in effect, grant the Association that which the Association was unable to secure in collective bargaining.
  8. The arbitrator shall have no power or authority to review or rule on:
    1. Any matter which is a prohibited subject of bargaining, e.g., under the Public Employee Relations Act/PERA, MCL 423.215.
    2. Any matter for which the Teacher's Tenure Act (Act 4, P.A. 1927, as amended), prescribes a procedure or a remedy or which may be filed under the Teachers' Tenure Act with the State Tenure Commission.
    3. Any matter for which there is recourse under State or Federal law.
    4. The content of any insurance policy or the administration of any insurance related policy, coverage or benefit which policy, coverage and benefit(s) are administered by a third party.
    5. Any matter filed by the Association in its own name, except in a case where express contractual rights have been given to the Association through this Agreement.
    6. No new grievance may be filed and/or processed by the Association or a teacher on behalf of any teacher if that teacher, for any reason, is no longer an employee of the District.
  
- K. The fees and expenses of the arbitrator shall be shared equally by the parties.

- L. If any teacher for whom a grievance is sustained through arbitration shall be found to have been discharged unjustly, he/she shall be reinstated with reimbursement of compensation to be determined by the arbitrator.
- 
- M. The time limits provided in this Article shall be strictly observed but may be extended by written agreement of the parties. In the event a grievance is filed after May 15<sup>th</sup> of any year, and strict adherence to the time limits may result in hardship to any party, the Board shall use its best efforts to process such grievance prior to the end of the school term or as soon thereafter.
  - N. If an individual teacher has a personal complaint, which he/she desires to discuss with a supervisor, he/she is free to do so without recourse to the grievance procedure. However, no grievance shall be adjusted without prior notification to the Association and opportunity for an Association representative to be present, nor shall any adjustment of a grievance procedure, the interests of the teacher's shall be the sole responsibility of the Association.
  - O. It shall be the general practice of all parties involved to process grievance procedures during times which do not interfere with assigned duties. However, in the event it is agreed by the Board to hold proceedings during regular working hours, a teacher participating in any level of the grievance procedure with any representative of the Board shall be released from assigned duties without loss of salary.

## Article 20

### District Committee's

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#### **Professional Study Committee (PSC)**

Each building will be allowed six (6) teachers to research, collect data, implement changes, or some other type of school improvement work. These six teachers may work individually or collectively on work mutually agreed upon topic with the building administrator. The work will be done on a semester basis with a report to the Board of Education with their recommendations and/or findings required prior to payment (Appendix B-1).

Constantine Tech High School will have 2 spots available for this purpose.

At the conclusion of the 1<sup>st</sup> Semester the teachers will consult with the principal to determine whether they'll continue on for another semester with their current topic, work on something else or let others begin work on another topic for 2<sup>nd</sup> Semester.

#### **District Communications Committee (DCC)**

Three times per year the School Board Personnel Committee and Superintendent will meet with; Building Representatives, and CEA President(s) to create a forum for discussion regarding concerns, issues and solutions for the District.

## Article 21

### Miscellaneous Provisions

- A. This agreement shall constitute the full and complete commitments between both parties and may be altered, changed, added to, deleted from, or modified only through the voluntary, mutual consent of the parties in a written and signed amendment to the Agreement.
- B. Any individual contract between the Board and an individual teacher, theretofore executed shall be subject to and consistent with the terms and conditions of the Agreement and any individual contract hereafter executed shall be expressly made subject to and consistent with the terms of this or subsequent agreements to be executed by the parties. If an individual contract contains any language inconsistent with this agreement, this agreement, during its duration, shall be controlling.
- C. This Agreement shall supersede any rules, regulations or practice of the Board, which shall be contrary to or inconsistent with its terms.
- D. If any provision of the Agreement or any application of the Agreement to any employee or group of employees shall be found contrary to law, then such provision or application shall be deemed null and void, but all other provision or applications shall continue in full force and effect.
- E. Copies of this Agreement shall be provided at the expense of the board and made available as soon as possible to all teachers now employed or hereafter employed.
- F. At the beginning of each school year a record of accumulative sick leave shall be provided for each teacher.
- G. Principals shall inform teachers of a number they may call to report unavailability of work. Teachers shall make every effort to provide the principal or his/her designee with sufficient and reasonable notice.
- H. By March 1<sup>st</sup> or any time thereafter with fifteen (15) days' notice prior to expiration of this Agreement, upon request of either party, negotiations will be undertaken for an agreement covering the school year.

It is mutually agreed that the Board of Education will pay a \$500 stipend to teacher who, on or before April 1<sup>st</sup> of the school year of retirement, submits a non-rescindable letter of resignation.

This letter will be applicable to the end of the school year in which the letter of resignation is submitted. The payment is to be made within one (1) month from receipt of the binding letter of resignation.

- I. The district will provide the member of the CEA the opportunity to invest in a 403(b) retirement account:

1. That for a number of years, the District has established and maintained a tax sheltered deferred retirement program. Recently, the Internal Revenue Service has issued significantly new regulations impacting such programs. These new regulations take effect January 1, 2009.

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2. In response to the promulgation of these IRS regulations, over 260 public school districts, 25 intermediate school districts and other public education employers formed a Consortium which is now known as the Michigan Retirement Investment Consortium. That Consortium undertook a Request of Proposal process and selected TSA Consulting Group as the third party administrator for the Consortium.
3. The District and Association recognize the importance of each employee pursuing an active retirement savings program and providing sound investment alternatives to assist them in achieving their retirement savings goals. All bargaining unit members are eligible to participate in the Plan.
4. Investment products presently offered to Association members include; MEA Paradigm/Prudential, AIG Valic, American General, Modern Woodmen of America, Ameriprise (IDS/American Express), Edward Jones, Lincoln National Life Insurance, Pioneering Services Corporation, AG Edwards-Wachovia, Fidelity Investments & Thrivent Financial for Lutherans. All of these products will be included in the initial list of investments offered to Association member except Ameriprise (IDS/American Express), Modern Woodmen of America, Lincoln Life Insurance, AG Edwards-Wachovia, Fidelity Investments and Thrivent Financial for Lutherans due to low participation, and Edward Jones and Pioneering Services Corporation which has declined to participate. None of the remaining products will be discontinued by the District without prior consultation with the Association.
5. The parties agree that fees as may be required to administer the 403(b) Plan will be kept as low as possible. TSA may require investment providers to pay reasonable administrative costs. The consortium is requiring all core vendors to provide a quarterly report card of the investment product's performance and fees that will be shared with all employees. The district will encourage its wild card vendors to provide the same information.
6. The Plan Document shall allow employees the ability to make changes in their investment portfolio. Provision for emergency or hardship withdrawals will be included within the Plan. Employees shall also be permitted to take loans from their investment as permitted in the Plan Document. Prompt remittance of contributions as defined by the Internal Revenue Code from participants will be made to the third party administrator.
7. The Plan Document shall include a list of investment providers. MEA Financial Services will continue to be on the approved list of investment providers. If, at any time, MEA Financial Services is removed from the list of investment providers, the District will withdraw from the Consortium as soon as possible.
8. The District and Association agree to conduct ongoing review and assessment of the performance of MRIC, TSA and participating investment firms with the goal of maintain a quality 403(b) program. The District and the Association recognize that changes may be



made in the selection of administrative firms including MRIC, TSA and the selected investment firms. Such changes shall only be made after timely consultation with the Association.

9. The District and Association agree to conduct ongoing review and assessment of the performance of the Consortium and the providers mad available under the Consortium with the goal of maintaining a quality 403(b) program.
10. Teacher Retirement Enhancement  
The District will offer a "Voluntary Separation Agreement" from June 1, 2014 – June 30, 2016. See Appendix B-3.

## **Article 22**

### **Local Financial Stability and Choice Act**

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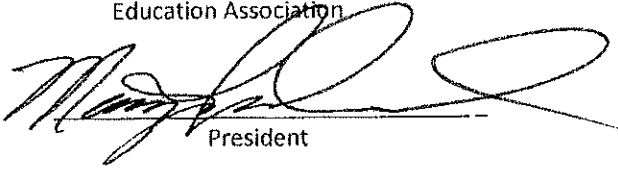
An emergency financial manager appointed under the Local Financial Stability and Choice Act, 2012 P.A. 436, shall have the authority to reject, modify or terminate the collective bargaining agreement as provided in 2012 P. A. 436.

Duration of Agreement

This agreement shall be effective upon ratification by both parties and shall continue in effect until July 31, 2016.

This agreement shall not be extended orally, and it is expressly understood that it shall expire on the date indicated.

Southwestern Michigan  
Education Association

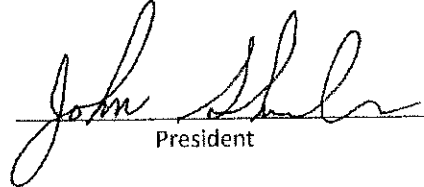
  
\_\_\_\_\_  
President

\_\_\_\_\_  
Vice-President

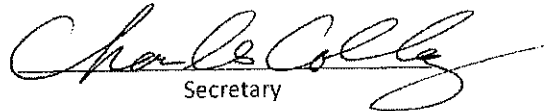
\_\_\_\_\_  
Negotiating Committee Member

\_\_\_\_\_  
Negotiating Committee Member

Board of Education

  
\_\_\_\_\_  
President

\_\_\_\_\_  
Vice-President

  
\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Treasurer

Dated this 25 day of August, 2014

# Appendix A-1

## Yearly Calendar

### 2014-2015

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Based on 175 membership days for students

Identical to County Calendar with the exception of;  
MLK Day – In session

September 2	1 <sup>st</sup> Day School – ½ Day
September 15	Fair Day – No School for Students
November 7	No School – Parent Teacher Conference Day
November 26-30	Thanksgiving Break – No School for Students and Staff
December 22 – January 4	Christmas Break for Students and Staff
February 13 & 16	Mid-Winter Break for Students and Staff
April 3	Good Friday – No School for Students and Staff
April 4 – April 12	Spring Break for Students and Staff
May 25	Memorial Day – No School for Students and Staff
June 5	Last Day for Students and Staff – ½ Day

## Appendix B

### CEA Salary Schedule for 2014-2016

The District agrees if any employee group receives a percentage (%) increase in salary the CEA teaching salary schedule will receive the same equivalent raise for the 2015-2016 contract year.

<u>STEP</u>	<u>BA</u>	<u>BA+20</u>	<u>BA+40/MA</u>	<u>MA+10</u>	<u>MA+20</u>
0	33,645	34,850	36,495	37,372	38,829
1	34,413	35,618	37,263	38,139	38,469
2	34,708	36,356	38,004	38,335	38,662
3	36,356	38,004	39,662	39,652	40,312
4	38,004	39,652	41,299	41,629	41,958
5	39,652	41,299	42,948	43,276	43,606
6	41,299	42,948	44,596	44,924	45,253
7	42,948	44,596	45,831	46,572	46,902
8		46,243	47,891	48,220	48,549
9		47,891	49,538	49,867	50,197
10		49,538	51,186	51,515	51,844
11			52,835	53,164	53,493
12			54,481	54,812	55,140
13			56,130	56,458	56,787
14			57,777	58,107	58,435
15			60,413	60,743	61,073
<u>Longevity</u>	<u>14-15</u>				
14-19 Years	\$800				
20-24 Years	\$1,000				
25-29 Years	\$1,200				
30+ Years	\$1,400				

**Appendix B-1**  
**Additional Compensation for Extra Duties**  
**(% BA Base Salary)**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>MUSIC</b>					
Band Director					
School Year	15	16	17	18	20
6 WK-Summer Program	10	10	11	12	13
Vocal Director	2	3	3	3	4
Riverside Choristers	3	3	3	4	4
Musicals (each)	3	3	3	4	4
Plays (each)	3	3	3	4	4
<b>CLASS SPONSORS</b>					
Freshman Class	2	2	2	2	2
Sophomore Class	2	2	2	2	2
Junior Class	3	4	4	5	5
Senior Class	3	4	4	5	5
<b>MIDDLE SCHOOL</b>					
MS Yearbook	3	3	3	4	4
MS Student Council	2	2	2	3	3
MS Quiz Bowl	2	2	2	2	2
MS Science Olympiad**	2	2	3	4	5
<b>HIGH SCHOOL</b>					
HS Yearbook	3	3	3	4	4
HS Student Senate	2	2	3	3	3
National Honor Society	2	2	2	2	2
HS Quiz Bowl	2	2	2	2	2
HS Science Olympiad	2	2	3	4	5
Youth In Government	2	2	2	2	2
Elementary Mentoring*	8	8	8	9	9
Interact Club	2	2	2	2	2
<b>ELEMENTARY</b>					
Clue-Me-In	2	2	2	2	2
Young Authors	1	1	1	1	1
<b>K-12</b>					
Teacher Mentoring	2	2	2	2	2
CIMS-2 Coordinator	2	2	2	2	2
Web Site Manager	3	3	3	3	3

Curriculum Team (6 per building) \$250 per semester – payable after Board Report

\*Unless teacher is given a class period for Elementary Mentoring duties in lieu of additional pay

\*\*Current Science Olympiad Advisor grandfathered at 6%

**HOURLY RATES**

Other Teaching Hours including Lunch Room Duty, Additional Supervision Hours prior or after school	22.00/2014-2015 23.00/2015-2016
Mutually approved non-teaching time, including Up to 5 hours/teacher for Kindergarten Round-up	15.50
Summer Conference Reimbursement – approval of Principal required	15.50
Internal Substitute Reimbursement	17.20

The Board reserves the right not to fill any position.

**Appendix B-2**  
**Athletic Coaches Salary Schedule**  
**(% of Base Salary)**

	Year 1	Year 2	Year 3	Year 4	Year 5
<u>Fall Sports</u>					
<b>High School Football</b>					
Head Varsity	10	11	12	13	15
Assistants (4)	7	7	8	9	10
8 <sup>th</sup> Grade	4	4	5	5	6
7 <sup>th</sup> Grade	4	4	5	5	6
Assistant*	\$500				
<b>Volleyball</b>					
Head Varsity	10	11	12	13	15
Var. Assist.	4	4	5	5	6
Assistants	7	7	8	8	9
8 <sup>th</sup> Grade	4	4	5	5	6
7 <sup>th</sup> Grade	4	4	5	5	6
Assistant*	\$500				
<b>Cross Country</b>					
Head Varsity	7	7	8	9	10
Assistant *	4	4	5	5	6
Middle School*	4	4	5	5	6
<b>Cheerleading</b>					
Head Varsity	5	5	6	6	7
Assistant	3	3	4	4	5
1 Coach –Fall	6	6	7	8	9
<u>Winter Sports</u>					
<b>Boys/Girls Basketball/Volleyball</b>					
Head Varsity	10	11	12	13	15
Var. Assistant	4	4	5	5	6
Assistants*	7	7	8	9	10
8 <sup>th</sup> Grade	4	4	5	5	6
7 <sup>th</sup> Grade	4	4	5	5	6



Winter Sports – cont.

**Wrestling**

Head Varsity	10	11	12	13	15
Assistant	7	7	8	9	10
Extra Assistant	\$500				
Middle School Assistant*	4	4	5	5	6
	\$500				

**Cheerleading**

Head Varsity	6	6	7	7	8
Assistant	4	4	5	5	6
1 Coach – Winter	8	8	9	10	11

Spring Sports

**Golf/Tennis**

Head Varsity	6	6	7	7	8
Assistant	3	3	4	4	5

**Baseball/Softball**

Head Varsity	7	8	9	10	12
Var. Asst.	\$750				
JV	5	5	6	7	8
JV Asst.	\$500				

**Track**

Head Varsity	7	8	9	10	12
Assistant	5	5	6	7	8
2 <sup>nd</sup> Assistant	\$500				
Middle School Assistant *	4	4	5	5	6
	3	3	3	3	3

\* If numbers are high enough to warrant the position – the Board reserves the right not to fill any position.

## Appendix B-3

### Administrative Voluntary Separation Agreement Plan

The Constantine Public Schools Board of Education (subsequently referred to as "Board" or "School District") and, Administrators in the School District agree to the following in this Letter of Agreement – Voluntary Separation Agreement Plan ("Letter of Agreement," "Voluntary Separation Plan" or "Plan"):

1. The Board will make sufficient funds available as an incentive. To be eligible for the "Voluntary Separation Plan" an employee must:
  - A. Be currently employed by the School District on a full-time basis, as reflected on the current (2014-2015 school year) School District Seniority list for members of the collective bargaining unit represented by the Association, work full-time for the School District through the last teacher work day of the second semester of the 2014-2015 school year or the 2015-2016 school year, and have, through June 30, not less than 20 years of service credit with the Michigan Public School Employees Retirement System ("MPSERS"),
  - B. Submit an executed letter of resignation, Attachment A, from his/her employment with the School District between January 1, 2015 and March 1, 2015, or January 1, 2016 and March 1, 2016, and
  - C. Submit an executed Waiver and Release, Attachment B, with the School District between January 1, 2015 and March 1, 2015 or January 1, 2016 and March 1, 2016.

Should an employee who is not an "eligible employee" submit an executed letter of resignation (Attachment A), and/or an executed Waiver and Release (Attachment B) the executed document(s) will be returned to the employee with notice that the employee is not an "eligible employee." The executed resignation will be rejected and be of no effect. No payment will be made to or on behalf of the employee.

2. There is neither a minimum nor a maximum, number of members of the administrative group who must participate in this Plan for it to be implemented.
3. Eligible employees will not have less than forty-five (45) calendar days from the date the employee receives a copy of this executed Letter of Agreement and Attachments A and B to consider participating in this voluntary separation program offered pursuant to this Letter of Agreement.
4. Funds will be made available on a onetime basis only and will only be available to an eligible employee(s) who elects to participate in this Voluntary Separation Agreement Plan who does not want to continue teaching or otherwise working for the School District beyond the last day of the teacher work year in 2015 or 2016, the effective date of resignation, and whose intention may be to receive retirement benefits through the Michigan School Employees Retirement System (MPSERS), and who has submitted and executed Letter of Resignation (Attachment A), together with an executed Waiver and Release of Claims (Attachment B), by 3:00 on or before March 1, 2015 or 2016, to the Office of the Superintendent, and that neither the Letter of Resignation nor the Waiver and Release of Claims has been revoked, as provided in 9.B. below.

5. Participation in this Plan is limited to those eligible employees who do NOT wish to continue to be employed by or administer within the District beyond the last teacher work day in 2015 or 2016. Employment with the School District will terminate on June 30, 2015 or 2016, the date of the resignation as provided in the Letter of Resignation (Attachment A).
  - A. Benefits. Benefits will be paid on behalf of an eligible, participating employee under this Plan as provided below.
    - a. For an eligible employee who, through the last teacher work day of 2014-2015 or 2015-2016 school year will have been employed by the School District on a full-time basis, as reflected on the District Seniority List for members of the collective bargaining unit represented by the Association, and have, through June 30, 2015 or 2016, not less than twenty (20) years of service credit with MPSERS, the Board will make the following two payments pursuant to this schedule:
      - (i) The gross sum of \$15,000 on October 29, 2015 or 2016
      - (ii) The gross sum of \$10,000 on October 29, 2016 or 2017
    - b. The \$500 stipend established in Article 27, Miscellaneous Provisions, Section I, of the collective bargaining agreement will be paid to an employee participating in this Plan by October 29, 2015 or 2016.
    - c. Payment will be made for unused sick days, personal leave days and professional business day pursuant to Article 12 – Illness or Disability, Personal Business, Unpaid Leaves of Absence, with payment made by October 29, 2015 or 2016.
    - d. It is the Employee's obligation at all times to provide the School District's business office with written notice of any change(s) in the Employee's home address. Appropriate taxes, e.g., federal, state, FICA, if any, will be withheld from the gross payments made on behalf of the Employee.
    - e. A participating employee is **solely** responsible for any tax liability and/or tax consequences, including penalties and interest, regarding payment to the Employee of the financial benefits provided under this Plan.
    - f. **Notwithstanding any and all other provisions of the Administrative Agreement between the Board of Education and Administrators, no other payment will be made to or on behalf of the Employee.**
    - g. No payment(s) shall be made until a determination has been made, and notice to the Employee provided, by the School District that the Employee is eligible to participate and that seven (7) calendar day waiver/revocation period established in No. 9.B. below has expired and the employee has executed and submitted, but not revoked, either his/her Letter of Resignation (Attachment A) or an executed Waiver and Release of Claims (Attachment B).

- h. An employee participating in the Plan, who resigns from his/her employment with the School District, shall not be eligible for and shall not be considered for future and subsequent full-time teaching employment with the School District beyond January 31, 2012.

6. **Relinquishment of Certain Rights.** An eligible employee who wants to participate in this Voluntary Separation Agreement Plan shall also execute a separate Waiver and Release of Claims (Attachment B) provided by the School District. It is understood that participation in this Plan also requires the eligible employee to unconditionally resign his/her position of employment with the School District by executing a Letter of Resignation (Attachment A). Resignation results in a relinquishment by the employee of rights which otherwise provide for recall, back pay, fringe benefits, reinstatement and seniority with the School District.
7. The School District shall cooperate with MPSERS and provide MPSERS with requested information and documentation, when authorized in writing by the employee, regarding an employee's application, if any, with MPSERS. **THE SCHOOL DISTRICT DOES NOT REPRESENT, GUARANTEE OR WARRANT THAT THE EMPLOYEE IS ELIGIBLE FOR OR WILL RECEIVE BENEFITS THROUGH MPSERS.** It is acknowledged that the employee is subject to and must satisfy the requirements, terms and conditions of MPSERS and the applicable laws, rules and regulations for qualification for and receipt of retirement credit and benefits through MPSERS. Eligibility for the benefits provided under this Plan is NOT linked to and is NOT contingent upon a participating employee being determined eligible for receiving MPSERS benefits by MPSERS.
8. No payments by the Board are required by the Board are required to be made until all conditions of this Letter of Agreement have been satisfied, and the Letter of Resignation (Attachment A) and a separate Waiver and Release of Claims (Attachment B) have been executed by the employee, such as in accordance with Nos. 1, 4, 6, 9, and 10 and have been received and accepted on behalf of the Board.
9. All administrators shall be provided a copy of this Letter of Agreement and, by receipt of this Letter of Agreement, shall be deemed to be on notice of the following:
  - A. Consultation with attorney. Any employee considering participation in this Plan is expressly advised and encouraged to consult with an attorney before signing the documents (Attachment A and Attachment B) required for participation in this program.
  - B. Revocation or withdrawal of waiver and release of claims, and of letter of resignation. Any eligible employee who executes the documents required for participation in this Plan shall be permitted to revoke said documents and withdraw from participation in the program by submitting a signed and dated written notice to such effect, which must be received by the School District (in the office of the Superintendent) not later than seven (7) calendar days after the date by which the employee's signed Letter of Resignation, Attachment A, Waiver and Release of Claims and Attachment B, have been received by the School District. After the seven (7) day period has expired, the Letter of Resignation and the Waiver and Release may not be revoked and are legally enforceable.

- C. Employees eligible and employees not eligible. Each member of the administrative group and job titles of the employees known to be satisfying the eligibility requirements of No. 1 of this Letter of Agreement.
  - D. Date of separation from employment. Separation from employment with the School District under this Letter of Agreement will occur by a participating employee(s) on June 30, 2014 or 2015, when the employer's resignation (Attachment A) takes effect.
10. No payment shall be made until after the Board has accepted the employee's resignation and the lapse of the seven (7) calendar day period within which the employee may withdraw his/her Letter of Resignation (Attachment A) and the executed Waiver and Release of Claims (Attachment B) and the employee's Letter of Resignation and the Waiver and Release of Claims have not been withdrawn in the seven (7) calendar revocation period provided in NO. 9.B, above.
  11. **An employee considering participating in this voluntary separation program should consult a tax accountant or an attorney regarding any potential tax liability or tax consequences to the employee.**
  12. Employee acknowledges and understands that his/her voluntary resignation is intended to preclude his/her application for and receipt of unemployment benefits under the provisions of the Michigan Employment Security Act and may be presented to disqualify him/her from receipt of unemployment compensation benefits as evidence of a voluntary termination of employment without cause attributable to the Board.  
  
Should employee make application for and receive unemployment compensation benefits attributable to his/her employment with Constantine Public Schools, any amount paid or to be paid to him/her on his/her behalf pursuant to the terms of the Letter of Agreement – Voluntary Separation Agreement Plan SHALL BE REDUCED by the amount of any unemployment compensation benefits received by him/her which are chargeable to Constantine Public Schools or its insurers.
  13. An eligible employee who elects to participate in this Voluntary Separation Agreement Plan may accept other employment without affecting his/her eligibility to receive benefits provided under this Voluntary Separation Agreement Plan. However, this School District has NO obligation at any time to rehire any employee who voluntarily terminates employment with Constantine Public Schools under this Letter of Agreement.
  14. Employee's participation in the Voluntary Separation Agreement Plan (provided he/she satisfies the Voluntary Separation Agreement Plan eligibility criteria) is solely at the employee's option, at his/her sole discretion, since the Board has no practice, policy or procedure, formal or informal, written or unwritten, which would require any eligible employee to sign a Letter of Resignation (Attachment A) and the Waiver and Release of Claims (Attachment B) or to participate in the Voluntary Separation Agreement Plan.
  15. If any person or entity has informed the employee that no other retirement or severance benefits may become available to the employee in the future should employee not resign now

and participate in the Voluntary Separation Agreement Plan, employee is hereby specifically informed and advised that he/she should not rely on such statements.

16. If any person or entity has made statements or representations to employee regarding his/her separation benefits or conditions which are inconsistent with or additional to the terms of the Voluntary Separation Agreement Plan, employee is hereby specifically informed and advised the he/she should not rely on such statements or representations in deciding whether to participate in the Voluntary Separation Plan.

17. The School District's Business Manager shall be the Plan Administrator. The Plan Administrator shall have the discretionary power and authority to administer the Plan in accordance with its terms and applicable laws and regulations. The Plan Administrator shall exercise his/her authority in a nondiscriminatory manner.

The Plan Administrator's duties include, but are not limited to, the right to interpret the terms of the Plan, decide all questions regarding eligibility for participation, eligibility for benefit payments, and the amount and manner of benefit payments.

18. If a Michigan court or Federal court or state of federal agency of competent jurisdiction, following the exhaustion of all available appeals, rules the voluntary separation plans such as that provided in this Letter of Agreement are in violation of applicable state and federal constitutions, laws, regulations or rules, then this provision shall be null and void, except to the extent permitted by constitution, law, rule or regulation.

19. The availability of this Voluntary Separation Agreement Plan is not, and should not be interpreted as, precedent setting.

ON BEHALF OF CONSTANTINE SCHOOLS BOARD OF EDUCATION

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
John Shuler, School Board President

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Chuck Frisbie, Superintendent

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Employee Signature

**Attachment A  
Letter of Resignation**

June 30, \_\_\_\_\_

Mr. Charles Frisbie  
Superintendent of Schools  
Constantine Public Schools  
One Falcon Drive  
Constantine, MI 49042

Re: Letter of Resignation  
Voluntary Separation Agreement

Dear Mr. Frisbie,

In consideration of my acceptance as a participant in the Voluntary Separation Agreement Plan offered by the School District pursuant to a Letter of Agreement executed by the School District, I am submitting this letter of resignation as an employee of Constantine Public Schools, effective June 30, 20\_\_\_\_. Consequently, I will no longer be an employee of Constantine Public Schools after January 31, 20\_\_\_\_.

Sincerely,

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Print Employee Name

**Attachment B**  
**Waiver and Release of Claims**

This Waiver and Release of Claims is entered into by, between and among \_\_\_\_\_ (subsequently referred to as "Employee"), the Constantine Public Schools Board of Education (subsequently "School District" or "Board"), in consideration of and in exchange for the promises, covenants and undertakings as provided below. It is understood that this Waiver and Release of Claims (Attachment B) is related to and part of the Letter of Agreement – Voluntary Separation Plan (subsequently "Letter of Agreement," "Voluntary Separation Plan" or "Plan") executed and signed by Constantine Public Schools Board of Education and a Letter of Resignation (Attachment A).

1. **NOTICE TO EMPLOYEE.** This document, this Waiver and Release of Claims (Attachment B), contains releases and a waiver of rights to which you would otherwise be entitled, primarily your employment contract rights and right to an administrative position at Constantine Public Schools. You are hereby encouraged to carefully read this document, as well as the Voluntary Separation Agreement Plan and the Letter of Resignation (Attachment A) and to take them home for review before signing, if you wish, and to, have them reviewed by your attorney, accountant, and/or financial advisor before signing.
2. I hereby acknowledge that the Voluntary Separation Agreement Plan available to me pursuant to the Letter of Agreement between the Constantine Public Schools Board of Education and the Administrator, is intended to be a bona fide employee benefit plan and not a subterfuge to evade the purposes of the Federal Age Discrimination in Employment Act, the Federal Older Workers Benefit Protection Act or the Michigan Elliot-Larsen Civil Rights Act. **I FURTHER ACKNOWLEDGE THAT MY DETERMINATION TO RESIGN PURSUANT TO THE PLAN IS STRICTLY VOLUNTARY ON MY PART AND THAT I AM NOT BEING COMPELLED IN ANY WAY TO RESIGN, RETIRE OR OTHERWISE LEAVE MY EMPLOYMENT WITH THE SCHOOL DISTRICT.**
3. I acknowledge that I have carefully read and fully understand all the provisions of this Waiver and Release of Claims (Attachment B) and my Letter of Resignation (Attachment A) which I have signed and submitted, and the Letter of Agreement – Voluntary Separation Agreement Plan between the Constantine Public Schools Board of Education and Administrator.
4. I acknowledge that I have not relied upon any representations or statements, written or oral, not contained in this Waiver and Release of Claims (Attachment B), my Letter of Resignation (Attachment A) and the Letter of Agreement – Voluntary Separation Agreement Plan in making my decision to take part in this program and to resign from my position of employment with the School District. I also acknowledge that my decision has not been subject to any duress, intimidation or coercion by the Board of Education or its administrators, and that I have not received any information and advice regarding my retirement eligibility and benefits under the Michigan Public School Employees Retirement System (MPERS) or the impact and consequences of my decision to participate in this Voluntary Separation Agreement Plan from any Board member, any School District administrator, representative, employee or agent. I have determined that the terms and conditions of the program are acceptable and satisfactory to me.



5. I acknowledge that my participation in the Voluntary Separation Agreement Plan (provided I satisfy the Voluntary Separation Agreement eligibility criteria) is solely at my option, at my sole discretion, since the Board has no practice, policy or procedure, formal or informal, written or unwritten, which would require any eligible employee to sign this Waiver and Release of Claims or to participate in the Voluntary Separation Agreement Plan.

I understand that if anyone has informed me that no other retirement or severance benefits may become available to me in the future should I not resign now and participate in the Voluntary Separation Agreement Plan, I understand that I am hereby specifically informed and advised that I should not rely on such statements or representations.

I understand that if anyone has made statements or representations to me regarding my separation benefits or conditions which are inconsistent with or additional to the terms of the Voluntary Separation Agreement Plan, I am hereby specifically informed and advised that I should not rely on such statements or representations in deciding whether to participate in the Voluntary Separation Agreement Plan, since they do not constitute the position of Constantine Public Schools.

6. I am aware of the nature of the financial benefits which I will receive by executing this Waiver and Release (Attachment B) and my Letter of Resignation (Attachment A) as the benefits are identified and provided in No. 5.A. of the Letter of Agreement – Voluntary Separation Plan.

7. **WAIVER AND RELEASE OF RIGHTS**

I acknowledge and agree that in consideration of and exchange for the benefits under the Voluntary Separation Agreement Plan, by signing this Waiver and Release of Rights I agree to discharge, waive and release the School District, Constantine Public Schools Board of Education, individual Board members, School District administrators, representatives, employees and agents and the Association, including its individual members, employees, and/or agents from any and all claims, charges, demands and/or causes of action arising during and from my employment with, and/or from my separation, resignation and/or retirement from, Constantine Public Schools under the terms of the Letter of Agreement – Voluntary Separation Agreement Plan, which I have or may have against any of them, including any claims for breach of contract, for any violation or deprivation of any constitutional rights, for any discrimination with regard to handicap, age, sex, religion, race and/or marital status which may have arisen under federal civil rights laws, the federal Age Discrimination in Employment Act, the federal Older Workers Benefit Protection Act and/or the Michigan Elliot-Larsen Civil Rights Act, for any personal injuries and/or any damages including those for negligent or intentional infliction of emotional or mental distress, invasion of privacy, defamation and/or injury to reputation, and any other kind of contractual, statutory (federal or state) or equitable claim.

8. I acknowledge and understand that my voluntary resignation (Attachment A) is intended to preclude my application for and receipt of unemployment benefits under the provisions of the Michigan Employment Security Act and may be presented to disqualify me from receipt of unemployment compensation benefits as evidence of a voluntary termination of my employment without cause attributable to the Board.

Should I make application for and receive unemployment compensation benefits attributable in any way to my employment with Constantine Public Schools, I acknowledge and understand that any amount (gross) paid to me pursuant to the terms of the Letter of Agreement – Voluntary Separation Agreement Plan shall be REDUCED by the amount of any unemployment compensation benefits received by me which are chargeable to Constantine Public Schools or its insurers.

9. I acknowledge that the Board of Education, individual Board members and School District administrators, representatives, employees and agents have not made any statements, representations or provided any advice with regard to my eligibility for, or benefits under, the Michigan Public School Employees Retirement System/MPERS. I agree that I will not, at any time, attempt to hold the School District, the Board of Education, individual Board members, any School District administrator, representative, employee or agent, responsible with regard to any dispute or controversy which may arise regarding my decision to resign and participate in this Voluntary Separation Agreement Plan and my eligibility and/or benefits with the Michigan Public School Employees Retirement System/MPERS or any other retirement program as a result of my resignation and acceptance of the benefits under this Plan. I understand, however, that this would not affect any right I might have to pursue any dispute I might have with the Michigan Public School Employees Retirement System/MPERS.
10. I understand, acknowledge and agree that I am solely responsible for any and all tax liability and any tax consequences, including any penalties and interest, regarding payment by the Board of any financial benefits under this Voluntary Separation Agreement Plan. I also acknowledge and agree that I have had the opportunity to seek and to obtain information and advice with respect to any tax liability and any tax consequences of any payment(s) by the School District, the Board of Education, individual Board members, School District Administrators, representatives, employees and/or agents, with regard to any dispute that may arise regarding tax consequences. I agree that I will not attempt to hold any, some or all of them responsible with respect to any tax liability and/or tax consequences, including any interest or penalties, which may arise as a result of the payment(s) to me under this Plan. I also agree to indemnify the Constantine Public Schools, the Board of Education, individual members of the Board, employees, administrators, representatives, and agents for the District for any subjects listed in the Release of Claims (Attachment B) and my Letter of Resignation (Attachment A), each of which I have signed, within which to revoke my Letter of Resignation (Attachment A) and any waiver or discharge of any claims I might have for age discrimination (Attachment B). I understand that I only need to provide written notice to the School District's Superintendent in writing within seven (7) calendar days following the date on which I submit my executed Letter of Resignation (Attachment A) and this executed Waiver and Release (Attachment B), if I want to revoke my Letter of Resignation (Attachment B). any waiver of any age discrimination claims (Attachment B) which I might have or my Letter of Resignation (Attachment A) shall not become effective or enforceable until the seven (7) day period referenced immediately above in this paragraph, the deadline by which I must act if I want to revoke such a Waiver or Letter of Resignation, has passed. I also understand that this Waiver and Release of Claims (Attachment B), my Letter of Resignation (Attachment A) and the Letter of Agreement – Voluntary Separation Agreement Plan do not waive any age discrimination claims which may arise after the date they are signed. I also acknowledge and agree that I have been informed in writing of any

eligibility factors and/or time limits which might apply in order to receive payment(s) of the benefits under this Plan and of the employees who are eligible to participate in this Voluntary Separation Agreement Plan. I also acknowledge and agree that I have received written notice of the availability of reviewing the list of job titles and ages of individuals eligible to receive the benefits through the Voluntary Separation Agreement Plan and the ages of any individuals in the bargaining unit who are not eligible for the benefits through the Voluntary Separation Agreement Plan.

11. I acknowledge and agree that I have been advised in writing to consult with an attorney before agreeing to participate in this Voluntary Separation Agreement Plan and before signing this Waiver and Release of Claims (Attachment B) and my Letter of Resignation (Attachment A). I acknowledge and agree that I have had a reasonable opportunity to consult with an attorney and/or seek other consultation and advice from others of my own choosing with regard to the content and terms of this Waiver and Release (Attachment B), the Letter of Understanding – Voluntary Separation Agreement Plan and my Letter of Resignation (Attachment A).
12. I acknowledge and agree that this Waiver and Release of Claims (Attachment B) and my Letter of Resignation (Attachment A) shall become effective immediately upon my signature, provided, however, that I understand that I may revoke my agreement, including my Letter of Resignation (Attachment A) and any waiver discharge of any claims I might have for age discrimination (Attachment B), to participate in this Voluntary Separation Agreement Plan at any time up to and including the seventh (7<sup>th</sup>) calendar day after I have submitted my executed Letter of Resignation (Attachment A) and this executed Waiver and Release (Attachment B). I acknowledge that I must resign from my teaching position effective June 30, 2015 or 2016, in order to qualify for and participate in this Voluntary Separation Agreement Plan. I acknowledge that by resigning from my administrative position with the School District I am giving up and relinquishing my position with the School District and that I am waiving and relinquishing any right to recall, back pay, fringe benefits, reinstatement and seniority rights. I acknowledge and agree that this Waiver and Release of Claims (Attachment B), my Letter of Resignation (Attachment A) and the Letter of Agreement – Voluntary Separation Agreement Plan are binding upon the School District, its officers, trustees, employees, representatives and agents. The Association acknowledges and agrees that this Waiver and Release of Claims (Attachment B), my Letter of Resignation (Attachment A), and this Letter of Agreement – Voluntary Separation Agreement Plan are binding upon the Association, its officers, trustees, employees, administrators, representatives and agents.
13. **PERSONAL ACKNOWLEDGEMENT.** I acknowledge, understand and agree that I am making this election as an exercise of my own free will. I understand that I could have rejected the offer to participate in the Voluntary Separation Agreement Plan, and that rejecting the offer to participate would have had absolutely no impact or consequence upon my current employment status with Constantine Public Schools.
14. The Board of Education acknowledges and agrees that it will provide the benefits under the Voluntary Separation Agreement Plan to me, the Employee, according to the terms and conditions of the Voluntary Separation Agreement Plan as described in the Letter of Agreement.

15. I acknowledge and agree that I have been informed in writing of the employees eligible to participate in the Voluntary Separation Agreement Plan and any eligibility factors and/or time limits applicable to receive payment of that benefit. I acknowledge and agree that I have received written notification of job titles and ages of all individuals eligible to receive the financial benefits under the Plan.
  
16. NOTICE TO EMPLOYEE. Your participation in the Voluntary Separation Agreement Plan, provided you satisfy the Plan's eligibility criteria, is solely at your option, at your sole discretion, since the Board has no practice, policy or procedure, formal or informal, written or unwritten, which would require you to sign this Waiver and Release of Claims (Attachment B), the Letter of Resignation (Attachment A) or to participate in the Voluntary Separation Agreement Plan. If anyone has made any representations or statements to you which you interpret as directly, indirectly or "constructively" requiring you or encouraging you to sign this Waiver and Release of Claims or to participate in the Plan, you should NOT rely on such representations or statements, since they do not constitute the position of Constantine Public Schools Board of Education, the School District or its administrators, employees, representatives or agents.

If anyone has made statements or representations to you regarding your retirement benefits or conditions, which are inconsistent with or additional to the terms of the Voluntary Separation Agreement Plan, other than any benefits to which you may be entitled pursuant to the Administrative Contract with the Board of Education, you should NOT rely on such statements or representations in deciding whether to participate in the Voluntary Separation Agreement Plan.

THIS AGREEMENT CONTAINS A WAIVER AND RELEASE OF CLAIMS – READ CAREFULLY AND COMPLETELY BEFORE YOU SIGN. YOUR SIGNATURE ON THE WAIVER AND RELEASE OF CLAIMS AND ATTACHMENT "A" RESULTS IN A RESIGNATION FROM AND TERMINATION OF YOUR EMPLOYMENT AT CONSTANTINE PUBLIC SCHOOLS.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Employee Signature

\_\_\_\_\_  
Print Employee Name

STATE OF MICHIGAN)

)ss.

County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_ who being duly sworn says, he/she is the person described herein and who executed the foregoing instrument for the purpose therein stated and acknowledged the same as his/her free act and deed.

\_\_\_\_\_ (signed)

\_\_\_\_\_ (printed or typed)

Notary Public, State of Michigan, County of \_\_\_\_\_

My commission expires: \_\_\_\_\_

Acting in the County of: \_\_\_\_\_

ACKNOWLEDGED BY:

ON BEHALF OF CONSTANTINE PUBLIC SCHOOLS BOARD OF EDUCATION

Dated: \_\_\_\_\_, 20\_\_\_\_

By: \_\_\_\_\_

Its: Superintendent

**ATTACHMENT C  
BENEFIT ELECTION FORM**

I am completing this Benefit Election Form as part of my decision to participate in the Voluntary Separation Agreement Plan offered by Constantine Public Schools. I understand and acknowledge that in order for my to receive the benefits provided pursuant to the Voluntary Separation Agreement Plan, I must also resign from my full-time position of employment with the School District and submit both an executed Letter of Resignation (Attachment A) and an executed Waiver and Release of Claims (Attachment B).

No. 5. A. Benefits, 1., of the Letter of Agreement – Voluntary Separation Agreement Plan, a copy of which I have received, provides for payment by the School District on behalf of a participating employee of:

A. (i) The gross sum of \$15,000 on October 29, 2015 or 2016

(ii) The gross sum of \$10,000 on October 29, 2016 or 2017

B. Pursuant to an Addendum to the Letter of Agreement – Voluntary Separation Agreement Plan, the sums referenced in A. immediately above will be paid to a bank account which I have selected and identified below, rather than being paid to me directly by check.

I'd like to have the money deposited in the following bank account no. \_\_\_\_\_

Employee must initial: \_\_\_\_\_

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Print Employee Name



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

Client: Constantine Public School

## Simply Blue<sup>SM</sup> PPO HSA LG – Plan 1250/0% Medical Coverage with Prescription Drugs Benefits-at-a-Glance

Effective for groups on their plan year beginning on or after January 1, 2014

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, copay and/or 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:** To be eligible for coverage, the following services require your provider to obtain approval before they are provided – select radiology services, inpatient acute care, skilled nursing care, human organ transplants, inpatient mental health care, inpatient substance abuse treatment, rehabilitation therapy and applied behavioral analyses.

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.

### In-network

### Out-of-network \*

#### 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.

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

\* Services from a provider for which there is no Michigan PPO network and services from a 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.

Simply Blue PPO HSA LG – Plan 1250/0% with Prescription Drugs, FEB 2014



**Blue Cross  
Blue Shield  
of Michigan**

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**In-network**

**Out-of-network \***

**Preventive care services**

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 <b>Note:</b> Additional well-women visits may be allowed based on medical necessity.	Not covered
Gynecological exam	100% (no deductible or copay/coinsurance), one per member per calendar year <b>Note:</b> Additional well-women 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 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
Well-baby and child care visits	100% (no deductible or copay/coinsurance) • 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
Focal 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) <b>Note:</b> Subsequent medically necessary mammograms performed during the same calendar year are subject to your deductible and coinsurance. One per member per calendar year	80% after out-of-network deductible <b>Note:</b> Out-of-network readings and interpretations are payable only when the screening mammogram itself is performed by an in-network provider.
Routine screening colonoscopy	100% (no deductible or copay/coinsurance) for routine colonoscopy <b>Note:</b> Medically necessary colonoscopies performed during the same calendar year are subject to your deductible and coinsurance. One routine colonoscopy per member per calendar year	80% after out-of-network deductible

\* Services from a provider for which there is no Michigan PPO network and services from a 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.

Simply Blue PPO HSA LG – Plan 1250/0% with Prescription Drugs, FEB 2014





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

**In-network**

**Out-of-network \***

**Surgical services**

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 <b>Note:</b> For voluntary sterilizations for females, see "Preventive care services."	100% after in-network deductible	80% after out-of-network deductible
Elective abortions	Not covered	Not covered

**Human organ transplants**

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 <b>Note:</b> BCBSM covers clinical trials in compliance with PPACA.	100% after in-network deductible	80% after out-of-network deductible
Kidney, cornea and skin transplants	100% after in-network deductible	80% after out-of-network deductible

**Mental health care and substance abuse treatment**

Inpatient mental health care and inpatient substance abuse treatment	100% after in-network deductible	80% after out-of-network deductible
	Unlimited days	
Outpatient mental health care: • Facility and clinic  • Physician's office	100% after in-network deductible	100% after in-network deductible, in participating facilities only
	100% after in-network deductible	80% after out-of-network deductible
Outpatient substance abuse 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**

Applied behavioral analysis (ABA) treatment – when rendered by an approved board-certified behavioral analyst – is limited to a maximum of 25 hours of direct line therapy per week per member, through age 18 <b>Note:</b> 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. ABA and AAEC services are not available outside of Michigan.	100% after in-network deductible	100% after in-network deductible
Outpatient physical therapy, speech therapy, occupational therapy, nutritional counseling for autism spectrum disorder	100% after in-network deductible	80% after out-of-network deductible
	Physical, speech and occupational therapy <b>with an autism diagnosis</b> is limited to the same annual combined limit as for physical, speech and occupational therapy for other diagnoses	
Other covered services, including mental health services, for autism spectrum disorder	100% after in-network deductible	80% after out-of-network deductible

\* Services from a provider for which there is no Michigan PPO network and services from a 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.



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	In-network	Out-of-network *
<b>Physician office services</b>		
Office visits – must be medically necessary	100% after in-network deductible	80% after out-of-network deductible
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
<b>Emergency medical care</b>		
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
<b>Diagnostic services</b>		
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
<b>Maternity services provided by a physician or certified nurse midwife</b>		
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
<b>Hospital care</b>		
Semiprivate room, inpatient physician care, general nursing care, hospital services and supplies <b>Note: Nonemergency services must be rendered in a participating hospital.</b>	100% after in-network deductible	80% after out-of-network deductible
	Unlimited days	
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
<b>Alternatives to hospital care</b>		
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 90 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: • must be medically necessary • must be provided by a participating home health care agency	100% after in-network deductible	100% after in-network deductible
Infusion therapy: • 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	100% after in-network deductible	100% after in-network deductible

\* Services from a provider for which there is no Michigan PPO network and services from a 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.



## Simply Blue<sup>SM</sup> PPO HSA LG – Prescription Drug Coverage Triple-Tier Copay, Open Formulary Benefits-at-a-Glance

Effective for groups on their plan year beginning on or after January 1, 2014

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, copay and/or 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<sup>®</sup> and Humira<sup>®</sup>) 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](http://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)

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 after you have met the Simply Blue HSA annual deductible. After you have satisfied the deductible you are required to pay applicable prescription drug copays 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

		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	\$15 copay	\$15 copay	\$15 copay	\$15 copay <i>plus</i> an additional 20% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	\$30 copay	No coverage	No coverage
	84 to 90-day period	\$30 copay	\$30 copay	No coverage	No coverage
Tier 2 – Formulary (preferred) brand-name drugs	1 to 30-day period	\$30 copay	\$30 copay	\$30 copay	\$30 copay <i>plus</i> an additional 20% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	\$60 copay	No coverage	No coverage
	84 to 90-day period	\$60 copay	\$60 copay	No coverage	No coverage
Tier 3 – Nonformulary (nonpreferred) brand-name drugs	1 to 30-day period	\$60 copay	\$60 copay	\$60 copay	\$60 copay <i>plus</i> an additional 20% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	\$120 copay	No coverage	No coverage
	84 to 90-day period	\$120 copay	\$120 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.

Simply Blue HSA RX LG – \$15/\$30/\$60-RXCM, MAY 2013



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	In-network	Out-of-network *
<b>Other covered services</b>		
Outpatient Diabetes Management Program (ODMP) <b>Note:</b> 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. <b>Note:</b> When you purchase your diabetic supplies via mail order you will lower your out-of-pocket costs.	100% after in-network deductible for diabetes medical supplies; 100% (no deductible or copay/coinsurance) for diabetes self-management training	80% after out-of-network deductible
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
Outpatient physical, speech and occupational therapy – provided for rehabilitation	Limited to a combined 12-visit maximum per member per calendar year	
	100% after in-network deductible	80% after out-of-network deductible <b>Note:</b> Services at nonparticipating outpatient physical therapy facilities are not covered.
Durable medical equipment <b>Note:</b> 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.	Limited to a combined 30-visit maximum per member per calendar year (visits are combined with therapies for autism spectrum disorder)	
	100% after in-network deductible	100% after in-network deductible
Prosthetic and orthotic appliances	100% after in-network deductible	100% after in-network deductible
Private duty nursing care	100% after in-network deductible	100% after in-network deductible

See Prescription Drug Coverage Benefits-at-a-Glance for prescription drug benefits.

\* Services from a provider for which there is no Michigan PPO network and services from a 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.

### Features of your prescription drug plan

<p><b>BCBSM Custom Formulary</b></p>	<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 formulary is to provide members with the greatest therapeutic value at the lowest possible cost.</p> <ul style="list-style-type: none"> <li>▪ <b>Tier 1 (generic)</b> – 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, making them the most cost-effective option for the treatment.</li> <li>▪ <b>Tier 2 (preferred brand)</b> – Tier 2 includes brand-name drugs from the Custom Formulary. Preferred brand name drugs are also safe and effective, but require a higher copay.</li> <li>▪ <b>Tier 3 (nonpreferred brand)</b> – 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 for these drugs.</li> </ul>
<p><b>Prior authorization/step therapy</b></p>	<p>A process that requires a physician to obtain approval from BCBSM before select prescription drugs (drugs identified by BCBSM as requiring prior authorization) will be covered. <b>Step Therapy</b>, 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 prior authorization. Details about which drugs require Prior Authorization or Step Therapy are available online at <a href="http://bcbsm.com/pharmacy">bcbsm.com/pharmacy</a>.</p>
<p><b>Mandatory maximum allowable cost drugs</b></p>	<p>If your prescription is filled by a network pharmacy, and the pharmacist fills it with a brand-name drug for which a generic equivalent is available, you <b>MUST</b> pay the <b>difference</b> in cost between the BCBSM approved amount for the brand-name drug dispensed and the maximum allowable cost for the generic drug <b>plus</b> your applicable copay regardless of whether you or your physician requests the brand name drug. <b>Exception:</b> if your physician requests and receives authorization for a nonpreferred 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.</p> <p><b>Note:</b> This MAC difference will not be applied toward your annual in-network deductible, nor your annual coinsurance/copay maximum.</p>
<p><b>Drug interchange and generic copay waiver</b></p>	<p>BCBSM's drug interchange and generic copay 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. In select cases BCBSM may waive the initial copay after your prescription has been rewritten. BCBSM will notify you if you are eligible for a waiver.</p>
<p><b>Quantity limits</b></p>	<p>To stay consistent with FDA approved labeling for drugs, some medications may have quantity limits.</p>



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**Covered services**

	<b>90-day retail network pharmacy</b>	<b>* In-network mail order provider</b>	<b>In-network pharmacy (not part of the 90-day retail network)</b>	<b>Out-of-network pharmacy</b>
FDA-approved drugs	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay <b>plus</b> 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	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay <b>plus</b> an additional 20% prescription drug out-of-network penalty
State-controlled drugs	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay <b>plus</b> an additional 20% prescription drug out-of-network penalty
FDA-approved <b>generic</b> and <b>select brand name</b> prescription preventive drugs, supplements, and vitamins	100% of approved amount	100% of approved amount	100% of approved amount	80% of approved amount
Other FDA-approved <b>brand name</b> prescription preventive drugs, supplements, and vitamins	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay <b>plus</b> an additional 20% prescription drug out-of-network penalty
FDA-approved <b>generic</b> and <b>select brand name</b> prescription contraceptive medication (non-self-administered drugs and devices are not covered)	100% of approved amount	100% of approved amount	100% of approved amount	80% of approved amount
Other FDA-approved <b>brand name</b> prescription contraceptive medication (non-self-administered drugs and devices are not covered)	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay	Subject to Simply Blue HSA medical deductible and prescription drug copay <b>plus</b> an additional 20% prescription drug out-of-network penalty
Disposable needles and syringes – when dispensed with insulin or other covered injectable legend drugs <b>Note:</b> Needles and syringes have no copay.	Subject to Simply Blue HSA medical deductible and prescription drug copay for the insulin or other covered injectable legend drug	Subject to Simply Blue HSA medical deductible and prescription drug copay for the insulin or other covered injectable legend drug	Subject to Simply Blue HSA medical deductible and prescription drug copay for the insulin or other covered injectable legend drug	Subject to Simply Blue HSA medical deductible and prescription drug copay for the insulin or other covered injectable legend drug <b>plus</b> 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.



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**In-network**

**Out-of-network \***

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

Coinsurance maximums – applies to coinsurance amounts for all covered services – including mental health and substance abuse services – but <b>does not</b> apply to deductibles, flat-dollar copays, private duty nursing care coinsurance amounts and prescription drug cost-sharing amounts	\$1,500 for one member, \$3,000 for the family (when two or more members are covered under your contract) each calendar year	\$3,000 for one member, \$6,000 for the family (when two or more members are covered under your contract) each calendar year <b>Note:</b> Out-of-network coinsurance amounts also count toward the in-network coinsurance maximum.
Annual out-of-pocket maximums – applies to deductibles, copays and coinsurance amounts for all covered services – including cost-sharing amounts for prescription drugs, if applicable	\$6,350 for one member, \$12,700 for two or more members each calendar year	\$12,700 for one member, \$25,400 for two or more members each calendar year. <b>Note:</b> Out-of-network cost-sharing amounts also count toward the in-network out-of-pocket maximum.
Lifetime dollar maximum	None	

**Preventive care services**

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 <b>Note:</b> Additional well-women visits may be allowed based on medical necessity.	Not covered
Gynecological exam	100% (no deductible or copay/coinsurance), one per member per calendar year <b>Note:</b> Additional well-women 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 sterilizations 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) • 6 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

\* 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.



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Client: Constantine Public School

## Community Blue<sup>SM</sup> PPO LG with ECM – Plan 4 Benefits-at-a-Glance

Effective for groups on their plan year beginning on or after January 1, 2014

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:** To be eligible for coverage, the following services require your provider to obtain approval **before** they are provided – select radiology services, inpatient acute care, skilled nursing care, human organ transplants, inpatient mental health care, inpatient substance abuse treatment, rehabilitation therapy and applied behavioral analyses.

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.

	In-network	Out-of-network *
<b>Member's responsibility (deductibles, copays, coinsurance and dollar maximums)</b>		
<b>Deductibles</b>	\$500 for one member, \$1,000 for the family (when two or more members are covered under your contract) each calendar year  <b>Note:</b> Deductible may be waived for covered services performed in an in-network physician's office.	\$1,000 for one member, \$2,000 for the family (when two or more members are covered under your contract) each calendar year  <b>Note:</b> Out-of-network deductible amounts also count toward the in-network deductible.
<b>Flat-dollar copays</b>	<ul style="list-style-type: none"> <li>\$20 copay for office visits and office consultations</li> <li>\$20 copay for chiropractic services and osteopathic manipulative therapy</li> <li>\$150 copay for emergency room visit</li> </ul>	\$150 copay for emergency room visit
<b>Coinsurance amounts (percent copays)</b> <b>Note:</b> Coinsurance amounts apply once the deductible has been met.	<ul style="list-style-type: none"> <li>50% of approved amount for private duty nursing care</li> <li>20% of approved amount for mental health care and substance abuse treatment</li> <li>20% of approved amount for most other covered services (coinsurance waived for covered services performed in an in-network physician's office)</li> </ul>	<ul style="list-style-type: none"> <li>50% of approved amount for private duty nursing care</li> <li>40% of approved amount for mental health care and substance abuse treatment</li> <li>40% of approved amount for most other covered services</li> </ul>

\* 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.

Community Blue LG with ECM – Plan 4 , FCB 2014





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**In-network**

**Out-of-network \***

**Alternatives to hospital care**

	80% after in-network deductible	80% after in-network deductible
Skilled nursing care – must be in a participating skilled nursing facility	Limited to a maximum of 120 days per member per calendar year	Limited to a maximum of 120 days per member per calendar year
Hospice care	100% (no deductible or copay/coinsurance)	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)	
Home health care: • must be medically necessary • must be provided by a participating home health care agency	80% after in-network deductible	80% after in-network deductible
Infusion therapy: • 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	80% after in-network deductible	80% after in-network deductible

**Surgical services**

	80% after in-network deductible	60% after out-of-network deductible
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 <b>Note:</b> For voluntary sterilizations for females, see "Preventive care services."	80% after in-network deductible	60% after out-of-network deductible
Elective abortions	Not covered	Not covered

**Human organ transplants**

	100% (no deductible or copay/coinsurance)	100% (no deductible or copay/coinsurance) – in designated facilities only
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 <b>Note:</b> BCBSM covers clinical trials in compliance with PPACA.	80% after in-network deductible	60% after out-of-network deductible
Kidney, cornea and skin transplants	80% after in-network deductible	80% after out-of-network deductible

\* 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.



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**In-network**

**Out-of-network \***

**Preventive care services, *continued***

Routine mammogram and related reading	100% (no deductible or copay/coinsurance) <b>Note:</b> Subsequent medically necessary mammograms performed during the same calendar year are subject to your deductible and coinsurance.	60% after out-of-network deductible <b>Note:</b> 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		
Colonoscopy – routine or medically necessary	100% (no deductible or copay/coinsurance) for the first billed colonoscopy <b>Note:</b> Subsequent colonoscopies performed during the same calendar year are subject to your deductible and coinsurance.	60% after out-of-network deductible
One per member per calendar year		

**Physician office services**

Office visits – must be medically necessary	\$20 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	\$20 copay per office visit	60% after out-of-network deductible
Urgent care visits – must be medically necessary	\$20 copay per office visit	60% after out-of-network deductible

**Emergency medical care**

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**

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	60% after out-of-network deductible

**Maternity services provided by a physician or certified nurse midwife**

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**

Semiprivate room, inpatient physician care, general nursing care, hospital services and supplies <b>Note:</b> Nonemergency services must be rendered in a participating hospital.	80% after in-network deductible	60% after out-of-network deductible
Unlimited days		
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

\* 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.



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**In-network**

**Out-of-network \***

**Other covered services, continued**

Durable medical equipment <b>Note:</b> 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.	80% after in-network deductible	80% after in-network deductible
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

\* 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 care 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.



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**In-network**

**Out-of-network\***

**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 and substance abuse service is considered by BCBSM to be comparable to an office visit, you pay only for an office visit as described in your certificate or related riders.

This means when these services are performed by an in-network provider, you will have no in-network deductible. You will be responsible for the flat-dollar member copay that applies to office visits. When these services are performed by an out-of-network provider, you will be responsible for your annual out-of-network deductible and the coinsurance amount that applies to covered out-of-network services.

Inpatient mental health care and inpatient substance abuse treatment	80% after in-network deductible	80% after out-of-network deductible
	Unlimited days	
Outpatient mental health care: • Facility and clinic	80% after in-network deductible	80% after in-network deductible, in participating facilities only
	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**

Applied behavioral analysis (ABA) treatment – when rendered by an approved board-certified behavioral analyst – is limited to a maximum of 25 hours of direct line therapy per week per member, through age 18 <b>Note:</b> 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. ABA and AAEC services are not available outside of Michigan.	80% after in-network deductible	80% after in-network deductible
Outpatient physical therapy, speech therapy, occupational therapy, nutritional counseling for autism spectrum disorder	80% after in-network deductible	60% after out-of-network deductible
	Physical, speech and occupational therapy with an autism diagnosis is limited to the same annual combined limit as for physical, speech and occupational therapy for other diagnoses	
Other covered services, including mental health services, for autism spectrum disorder	80% after in-network deductible	60% after out-of-network deductible

**Other covered services**

Outpatient Diabetes Management Program (ODMP) <b>Note:</b> 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. <b>Note:</b> When you purchase your diabetic supplies via mail order you will lower your out-of-pocket costs.	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
Allergy testing and therapy	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Chiropractic spinal manipulation and osteopathic manipulative therapy	\$20 copay per office 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  Limited to a combined 80-visit maximum per member per calendar year (visits are combined with therapies for autism spectrum disorder)	60% after out-of-network deductible <b>Note:</b> Services at nonparticipating outpatient physical therapy facilities are not covered.

\* 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.



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**Covered services**

	<b>90-day retail network pharmacy</b>	<b>* In-network mail order provider</b>	<b>In-network pharmacy (not part of the 90-day retail network)</b>	<b>Out-of-network pharmacy</b>
FDA-approved drugs	100% of approved amount less plan copay	100% of approved amount less plan copay	100% of approved amount less plan copay	75% of approved amount less plan copay
Prescribed over-the-counter drugs – when covered by BCBSM	100% of approved amount less plan copay	100% of approved amount less plan copay	100% of approved amount less plan copay	75% of approved amount less plan copay
State-controlled drugs	100% of approved amount less plan copay	100% of approved amount less plan copay	100% of approved amount less plan copay	75% of approved amount less plan copay
FDA-approved generic and select brand name prescription preventive drugs, supplements, and vitamins	100% of approved amount	100% of approved amount	100% of approved amount	75% of approved amount less plan copay
Other FDA-approved brand name prescription preventive drugs, supplements, and vitamins	100% of approved amount less plan copay	100% of approved amount less plan copay	100% of approved amount less plan copay	75% of approved amount less plan copay
FDA-approved generic and select brand name prescription contraceptive medication (non-self-administered drugs and devices are not covered)	100% of approved amount	100% of approved amount	100% of approved amount	75% of approved amount less plan copay
Other FDA-approved brand name prescription contraceptive medication (non-self-administered drugs and devices are not covered)	100% of approved amount less plan copay	100% of approved amount less plan copay	100% of approved amount less plan copay	75% of approved amount less plan copay
Disposable needles and syringes – when dispensed with insulin or other covered injectable legend drugs <b>Note:</b> Needles and syringes have no copay.	100% of approved amount less plan copay for the insulin or other covered injectable legend drug	100% of approved amount less plan copay for the insulin or other covered injectable legend drug	100% of approved amount less plan copay for the insulin or other covered injectable legend drug	75% of approved amount less plan copay for the insulin or other covered injectable legend drug

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

**Features of your prescription drug plan**

<b>BCBSM Custom Formulary</b>	<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 formulary is to provide members with the greatest therapeutic value at the lowest possible cost.</p> <ul style="list-style-type: none"> <li>▪ <b>Tier 1 (generic)</b> – 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, making them the most cost-effective option for the treatment.</li> <li>▪ <b>Tier 2 (preferred brand)</b> – Tier 2 includes brand-name drugs from the Custom Formulary. Preferred brand name drugs are also safe and effective, but require a higher copay.</li> <li>▪ <b>Tier 3 (nonpreferred brand)</b> – 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 for these drugs.</li> </ul>
<b>Prior authorization/step therapy</b>	<p>A process that requires a physician to obtain approval from BCBSM before select prescription drugs (drugs identified by BCBSM as requiring prior authorization) will be covered. <b>Step Therapy</b>, 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 prior authorization. Details about which drugs require Prior Authorization or Step Therapy are available online at <a href="http://bcbsm.com/pharmacy">bcbsm.com/pharmacy</a>.</p>



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## Blue Preferred<sup>®</sup> Rx LG Prescription Drug Coverage Triple-Tier Copay, Open Formulary Benefits-at-a-Glance

Effective for groups on their plan year beginning on or after January 1, 2014

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, copay and /or 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<sup>®</sup> and Humira<sup>®</sup>) 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](http://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)

**Note:** Your prescription drug copays, including mail order copays, 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

		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	\$15 copay	\$15 copay	\$15 copay	\$15 copay <i>plus</i> an additional 25% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	\$30 copay	No coverage	No coverage
	84 to 90-day period	\$30 copay	\$30 copay	No coverage	No coverage
Tier 2 – Formulary (preferred) brand-name drugs	1 to 30-day period	\$30 copay	\$30 copay	\$30 copay	\$30 copay <i>plus</i> an additional 25% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	\$60 copay	No coverage	No coverage
	84 to 90-day period	\$60 copay	\$60 copay	No coverage	No coverage
Tier 3 – Nonformulary (nonpreferred) brand-name drugs	1 to 30-day period	\$60 copay	\$60 copay	\$60 copay	\$60 copay <i>plus</i> an additional 25% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	\$120 copay	No coverage	No coverage
	84 to 90-day period	\$120 copay	\$120 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.

Blue Preferred RX LG – \$15/\$30/\$60-RXCM, MAY 2013



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<b>Mandatory maximum allowable cost drugs</b>	If your prescription is filled by a network pharmacy, and the pharmacist fills it with a brand-name drug for which a generic equivalent is available, you <b>MUST</b> 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. <b>Exception:</b> If your physician requests and receives authorization for a nonpreferred 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. <b>Note:</b> This MAC difference will not be applied toward your annual in-network deductible, nor your annual coinsurance/copay maximum.
<b>Drug interchange and generic copay waiver</b>	BCBSM's drug Interchange and generic copay 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. In select cases BCBSM may waive the initial copay after your prescription has been rewritten. BCBSM will notify you if you are eligible for a waiver.
<b>Quantity limits</b>	To stay consistent with FDA approved labeling for drugs, some medications may have quantity limits.

