

**AGREEMENT**  
**BETWEEN**  
**THE CITY OF MARQUETTE**  
**AND**  
**MARQUETTE FIREFIGHTER'S ASSOCIATION**  
**LOCAL #643**

Effective

July 1, 2009 - June 30, 2013

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## **COLLECTIVE BARGAINING AGREEMENT**

THIS AGREEMENT, made and entered into this 1<sup>st</sup> day of July 2009, by and between the CITY OF MARQUETTE, MICHIGAN, a Municipal Corporation, hereinafter referred to as the "CITY" and LOCAL 643 of the INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, AFL-CIO, hereinafter referred to as the "UNION".

### **ARTICLE 1 - PURPOSE OF AGREEMENT**

It is the purpose and intent of this Agreement to set forth herein the basic agreement covering rates of pay, hours of work, and conditions of employment to be observed by the parties hereto. It is also the purpose of this Agreement to achieve and maintain harmonious relations between the "City" and the "Union"; to provide for equitable and peaceful adjustment of differences which may arise, and to promote the morale, well-being, and the security of the employees.

### **ARTICLE 2 - RECOGNITION CLAUSE**

The "City" recognizes the "Union" as the sole and exclusive bargaining agent for all non-probationary firefighters except for the Fire Chief.

### **ARTICLE 3 - DUES CHECK-OFF**

The "City" agrees to deduct, once each month, dues and assessments in an amount certified to be current by the Secretary/Treasurer of the "Union" from the pay of those employees who individually request in writing that such deductions be made.

The "City" further agrees to withhold from employee's pay, special assessments with proper authorization from the employee, and remit the same to the "Union" Treasurer.

The total amount of deductions shall be remitted each month by the "City" to the "Union" Treasurer.

### **ARTICLE 4 - UNION SECURITY**

Agency shop. Any employee who is not a member of the "Union" and who does not make application for membership shall, as a condition of employment, pay monthly to the "Union" service fees equivalent to any dues uniformly required of the members of the "Union" as a contribution toward negotiations and contract administration.

### **ARTICLE 5 - UNION ACTIVITY**

There shall be no discrimination, interference, restraint, or coercion by the "City" against any employee covered by this Agreement for his "Union" membership or activities.

Union members may be selected to attend a "Union" sponsored or co-sponsored event. A maximum of one-hundred twenty (120) working hours shall be allowed per fiscal year for such leave.

The Executive board of the "Union" shall give written notice to the Fire Chief two weeks prior to the event. The use of "Union" hours will not result in the implementation of minimum

manning. Approval of use of these hours will not be unreasonably withheld by the Fire Chief.

The representative shall be allowed time off without loss of time or pay to attend. Employees may not take time off from work which is not authorized by the terms of this Agreement, except mutually agreed to by both the "City" and the "Union".

#### **ARTICLE 6 - DEPARTMENT RESPONSIBILITIES**

The Department agrees to provide Fire Prevention, Basic Rescue Service, Fire Suppression, Routine Building, Vehicle and Equipment maintenance, and other fire related services to the citizens of the City of Marquette. Community service activities will be performed with adequate man power which is to be determined by the Fire Chief. Fire protection will also be provided in other areas where mutual aid agreements have been signed by the parties.

The "City" agrees to provide its fire fighters adequate training and education to enable them to carry out their assigned duties. The "City" further agrees to provide at its expense, all training required by State and Federal Law, and by the Michigan Fire Fighters Training Council, and these standards are hereby incorporated by reference in this agreement.

Whenever training or education required by this article, is scheduled during a fire fighters duty day, that fire fighter will be released from duty with pay to attend such training or education. Fire fighters under this article must work their regular shift prior to attending training or education, and return to duty promptly upon completion of that training or education. When training takes place during a duty shift, any time off hours must be pre-approved by the Fire Chief.

All fire fighters required to attend training or education outside of their regularly scheduled work shift shall be compensated with compensatory time at the rate of one-and-one-half hours for each hour worked.

#### **ARTICLE 7 - LABOR-MANAGEMENT COMMITTEE**

There shall be a Labor-management Committee consisting of at least two (2) "Union" representatives and at least two (2) "City" representatives. The Union's committee shall consist of a minimum of two officers of the Union. The City's committee shall consist of at least the Fire Chief and the Director of Human Resources. The purpose of this committee shall be to attempt to amicably resolve issues of mutual concern.

The committee shall meet at the request of either party or when deemed necessary by either party to discuss all matters of mutual concern. The committee shall have the authority to make recommendations to the "Union" and the "City".

#### **ARTICLE 8 - MANAGEMENT RIGHTS**

The "City" on its own behalf and on behalf of its electors, hereby retains and reserves unto itself, all powers, rights, authority, duties, and responsibilities conferred upon and vested in it by the laws and the Constitution of the State of Michigan and of the United States, the City

Charter, the Michigan Code and any modifications made thereto, and any resolutions passed by the city-elected officials or rules and regulations of appointed officials. Further, all rights which ordinarily vest in and are exercised by employers except such as are specifically limited in the contract, are reserved to and remain vested in the "City".

#### **ARTICLE 9 - LAYOFF DEFINED**

The word "layoff" means a reduction in the workforce. In the event it becomes necessary for a layoff the employer will provide sixty (60) calendar day notice of layoff. The employer will meet with the executive board of the union and make available the names of the affected employees to be laid off.

When a layoff takes place employees still on probationary status will be laid off first. Thereafter, employees having seniority shall be laid off in the inverse order of their seniority, i.e., the least senior employee on the seniority list being laid off first.

Layoff/Recall-When the work force is increased after a layoff, employees will be recalled according to their seniority. The most senior employee on layoff being recalled first. Certified mail will be used to contact the employee who is on layoff.

#### **ARTICLE 10 - MAINTENANCE OF CONDITIONS**

Wages, hours, and conditions of employment including, but not limited to, benefits, policies, procedures and administration of fringe benefits and pension plans in effect at the execution of this agreement shall, except as improved herein, be maintained during the term of this Agreement. No employee shall suffer a reduction in such benefits as a consequence of the execution of this Agreement, whether those benefits be procedural or substantive.

#### **ARTICLE 11 - PROMOTIONS AND POSTING**

All posted promotional opportunities and newly created positions will be filled by the promotion procedure. Employees interested shall apply by completing the appropriate form in the Human Resources Department.

Posting and testing for promotion, wherever possible, will be started three (3) weeks prior to the position opening.

#### **POSTING OF PROMOTION**

The posting of the promotion will be done by the Fire Chief within forty-eight (48) hours after the Board has reached a decision. The posting will include the name of the candidate promoted and rank. (Other candidates may ask the Fire Chief as to their finish on a one to one basis). The promotion will take effect as set forth in the notice of promotion. During the trial period, employees will receive the rate of pay of the job they are performing.

#### **TRIAL PERIOD**

All persons promoted will be given a 365 day trial period that will include an evaluation by the Fire Chief or his designee as to his performance and ability in that position. During the

365 day trial working period, the employee shall have the opportunity to revert back to his former classification. If the employee is unsatisfactory in the new position, notice and reasons will be submitted to the employee in writing. In the event the employee disagrees, it shall be proper subject for the grievance procedure.

PROCEDURE FOR FILLING POSITIONS

Engineer, Relief Engineer, Sergeants and Fire Fighter positions will be filled by seniority. Lieutenants and Captains positions will be filled by a written and oral test procedure.

Lieutenant and Captain’s positions will be filled by the following procedure:

WRITTEN TEST

This thirty-five question test will be made up by the Fire Chief or by an individual appointed by him (not to include one of the prospective candidates). Written tests for each classification will consist of the same questions for all candidates.

Lieutenants, Sergeants, and Engineers will be eligible to test for Captain’s positions. Sergeants and Engineers will be eligible to test for Lieutenant’s positions.

ORAL TEST

The Board for the oral test will be made up of three people:

- a. City Manager or designee;
- b. Fire Chief
- c. One person to be selected by the “Union”. This person will be a Fire Department officer equal to the level being promoted or above, active in or retired from a fully-paid Fire Department. The cost of travel, lodging, and meals will be split equally between the “Union” and the “City” in accordance with City policy. The active or retired board member must be an active or retired member of an International Association of Fire Fighters local, excepting I.A. F. F. Local #643.

The Board will evaluate the candidate in the following manner:

- a. Written test value: 45 points
- b. Oral test value: 55 points
- c. Seniority point value as follows (all inclusive) :
  - 1-5 years .5 points per year
  - 6-10 years 2.0 points per year
  - 11-15 years 2.5 points per year
  - 16 + years 3.0 points per year

Example: Person with 18 years of service

- 2.5 points for first 5 years
- 10.0 points for years 6- 10
- 12.5 points for years 11-15
- 9.0 points for years 16, 17, and 18
- 34.0 Total points

The Board may or may not ask the candidates about all of the above and any other questions it sees fit. Questions asked during the oral and written test will be pertinent to the duties of the position. The Director of Human Resources will provide the Board with the candidate's personnel file and the candidate can also be asked about material in the file.

## **ARTICLE 12 - GRIEVANCE PROCEDURE**

### **DEFINITIONS**

Immediate Supervisor: Either the Shift Lieutenant or Captain

Day: Monday through Friday, excluding holidays.

### **PROCEDURE**

#### **Step 1 - Immediate Supervisor (Verbal)**

Should an employee feel that his rights and privileges under this Agreement have been violated, he and his chosen representative shall verbally consult with his immediate supervisor within five (5) days of the event.

If a settlement is not reached by such a conference, the employee and his union representative will submit his grievance orally to the Fire Chief within five (5) days.

#### **Step 2 - Fire Chief (Verbal)**

The Fire Chief will submit an answer verbally to the grievant within five (5) days. If a settlement is not reached by this conference, the employee may submit his grievance in writing within five (5) days thereafter to the Fire Chief and the Human Resources Director.

#### **Step 3 - Fire Chief and Human Resources Director (Written)**

The Human Resources Director will, within five (5) days, give their reply to such grievance in writing.

Should an employee decide that the reply of the Fire Chief and the Human Resources Director is unsatisfactory to him, he or his chosen representative may within five (5) days after receipt of same submit his written grievance to the City Manager.

#### **Step 4 - City Manager (Written)**

The City Manager will within five (5) days of the receipt of same, notify the aggrieved employee and the Fire Chief of a hearing date thereon. Hearing dates scheduled before the City Manager will be scheduled no sooner than two (2) days or later than five (5) days from the date of notice. The City Manager will submit his written decision to the aggrieved employee within five (5) days after the hearing date.

If the decision of the City Manager is unsatisfactory to the employee, the Union may then have the right to proceed to binding arbitration within seven days of the City Manager's response by submitting the grievance to the American Arbitration Association. A mutually agreed upon arbitrator will be appointed to hear and reach a decision on the grievance.



Step 5 - Arbitration (Written)

There shall be no appeals of the arbitrator's decision unless the arbitrator has exceeded his jurisdiction or that such decision was obtained through fraud or "other" unlawful action; in which case, either party shall have the right to appeal to a court or proper jurisdiction.

The arbitrator shall make judgment based on the expressed terms of this Agreement, and shall have no authority to add or subtract from any of the terms of this Agreement. The award of the arbitrator shall be binding on the "Union", its members, the "City" and its agents. If either party misses any of the time deadlines as set forth in any of the above-referred to sections, (unless such time limits shall be waived, in writing), the grievance shall be deemed settled at the last position and in favor of the party who did not miss a time deadline.

The arbitration decision will include the party responsible for payment of the costs incurred by the arbitration process.

In any grievance involving any monetary loss to an employee (dismissal, demotion, suspension and the like) found to have been in violation of this contract or in violation of the law by the fact-finding procedures, the "City" shall immediately satisfy the aggrieved employee with back pay from the time the grievance occurred, and shall restore all privileges to which the employee would have been entitled had the grievance not occurred.

**ARTICLE 13 - HOURS**

- A. Fire suppression personnel shall work a three (3) platoon twenty-four (24) hour shift.
- B. The twenty-four (24) hour shift shall commence at 0700 hours and continue through 0700 hours the following day.
- C. Fire suppression personnel shall work a fifty-three (53) hour average work week in accordance with Federal and State Laws.
- D. Also, where applicable, Fire Personnel shall work an eight (8) hour shift and 40 hour average work week. Work hours shall be as follows: Monday through Friday; 0700 hours to 1600 hours.
- E. Command Personnel will report before the start of each shift or will remain at the end of each shift to allow for duty-connected information exchanges between the shifts.
- F. No unnecessary work shall be performed on any department premises on Sundays or holidays.
- G. The routine duty day shall commence at 0700 and end at 1700 hours. 0700-0720 shall be reserved for basic vehicle and personal equipment checks. 1100-1300

hours will be regarded as the general exercise, lunch, and rest period. One member shall remain on the floor at all times. Every effort shall be made not to schedule work details during this period.

- H. There will be two suppression personnel allowed off on vacation, over time, or compensatory time on each shift. In the event of personnel shortages due to injury, illness, or public emergency (e.g., natural or manmade disasters), requests to use unplanned vacation days, overtime days, or comp days shall be subject to the Fire Chief's approval. Employees shall utilize compensatory time in minimum increments of 12 hours.

**ARTICLE 14 - RATES OF PAY**

	<b>2.75%</b> <b>7/1/2009</b>	<b>2.60%</b> <b>7/1/2010</b>	<b>2.50%</b> <b>7/1/2011</b>	<b>2.25%</b> <b>7/1/2012</b>
Captain	50,629	51,945	53,244	54,442
Lead Fire Inspector	50,629	51,945	53,244	54,442
Lieutenant	46,425	47,632	48,822	49,921
Sergeant	44,137	45,285	46,417	47,461
Engineer	43,049	44,168	45,273	46,291
Relief Engineer	42,247	43,345	44,429	45,428
Firefighter (24 months)	42,035	43,128	44,206	45,201
Firefighter (18 months)	37,830	38,814	39,784	40,680
Firefighter (12 months)	33,627	34,501	35,364	36,160
Probationary Firefighter	31,524	32,343	33,152	33,898

Rental Code Inspector appointed by the Fire Chief shall receive a stipend of \$3,500.00 per year. The stipend will be paid over 26 pay periods. New appointees will be compensated pro rata.

**MISCELLANEOUS**

If an employee is temporarily required to work at a job paying a lower wage scale than his regular employment calls for, such employee's pay shall be maintained at his regular rate when employed on such temporary work.

If an employee is required to work on a job paying a higher wage scale than his regular employment calls for, he shall be entitled to a rate at the higher wage scale while engaged in such temporary work; provided, however, that if an employee temporarily performs the duties of an assistant to the Fire Chief, the additional compensation to which he shall be entitled shall be determined by the Director of Human Resources.

In the absence of a Sergeant or Lieutenant during the duty shift, the Senior Engineer shall receive the equivalent to Sergeant's pay for each shift worked in that capacity.

Effective July 1, 2001, the position of Lead Fire Inspector is reclassified to that of a Captain/Fire Inspector at the Captain rate of pay. This change does not create a new position and is not subject to the promotion procedures. When a vacancy occurs in the future, the Captain/Fire Inspector position will be filled pursuant to Article 11, Promotions and Postings, in the collective bargaining agreement.

#### **ARTICLE 15 - PROBATIONARY EMPLOYEES**

- A. New employees hired in the unit shall be considered a probationary employee for the first 365 days of their employment provided, however, that such probationary period shall be extended for a period of time equal to the time that an employee is absent from duty due to sickness or other reasons.
  - B. For the first 180 days of employment, probationary employees are not entitled to food allowance, use of vacation, and life insurance. Probationary employees subject to this Article may be terminated by the employer at any time during the 365-day probationary period and shall not have recourse to the grievance and arbitration procedure when separated, except employees discharged for Union actions.
  - C. An extension of the probationary period may be granted at the "City's" discretion for a period not to exceed two (2) months, to the original 365 days limit, provided such extension is necessary to evaluate the employee's performance. Job performance and extenuating circumstances shall be grounds for such extensions.
  - D. When an employee finishes the probationary period he shall be entered on the seniority list of the unit and shall rank for seniority from the date of hire or date of transfer into the bargaining unit. There shall be no seniority among probationary employees.
  - E. 0-12 MONTHS IN THE DEPARTMENT:
    - 1. Commence training in Department Firefighting procedures.
    - 2. Receive 75% of Firefighter's base pay.
    - 3. Satisfactory completion of 3 month, 6 month and 12 month employee evaluation by the Fire Chief or designee.
- 12-24 MONTHS IN THE DEPARTMENT:
- 1. Pass 12, 18, 24 month employee evaluations by superior officers.
  - 2. Receive 80% of Firefighter's base pay upon completion of 12 months in

the Department.

3. Receive 90% of Firefighter's base pay upon completion of 18 months in the Department.
4. Receive 100% of Firefighter's base pay upon completion of 24 months in the Department.

#### **ARTICLE 16 - SHIFT EXCHANGE**

Any employee may request to exchange shifts when the exchange does not interfere with the operations of the Fire Department. A shift exchange will only be approved if both employees voluntarily agree to the exchange, and if both employees are employed in the same capacity. All shift exchanges must be pre-approved by the Fire Chief. Each employee is limited to 4 shift exchanges per year; provided, however, exceptions may be made in the discretion of the Fire Chief (e.g., for seniority promotions, forced shift exchanges). Shift exchanges will not result in additional overtime costs, minimum manning, or other pay adjustments.

#### **ARTICLE 17 - COST OF LIVING**

When the Cost of Living Index (CPI all City average) exceeds 6% of the base figure of July, 1985, a wage adjustment will be given on the basis that every one (1) percent increase that exceeds 6% will equal Eight (8) Dollars per month wage increase. For the duration of the contract, July 1, 2001 through June 30, 2005, this article will not be implemented.

#### **ARTICLE 18 - CALL-BACK/OVERTIME**

##### **Callbacks/Overtime:**

Time and one-half (dollars or compensation time) will be paid for all emergency or non-emergency callbacks and overtime, with a two-hour minimum. Employees will have the choice of receiving compensation time or overtime pay up to a two hour maximum. In all cases, the Fire Chief retains the right to approve/disapprove all employee work performed outside of their regularly scheduled shift. It is the Fire Chief's discretion, (except where noted in the second sentence of this paragraph) whether to pay compensation time or dollars for that work. No employee may accumulate to his credit more than 480 hours of compensation time.

All overtime work shall be equally divided, as nearly as possible or practicable, between or among all employees in any particular occupation group. No employee shall be required to work fewer hours than the regular work period per day because of overtime employment on previous days or subsequent days; provided, however, that an employee of the Fire Department, who has worked continuously 16 hours or longer, shall be given 8 hours rest, if possible, whether or not it interferes with the regular work period.

The Lead Fire Inspector will only be eligible for third alarm callbacks. The Lead Fire inspector will not participate in any other elective overtime (ie. Minimum manning, second alarm callbacks, festival coverage) that is normally performed by suppression personnel.

Holdovers:

If on any regularly scheduled shift; an employee is required to work as an extension of that shift; such overtime hours will be paid for at the rate of time and one-half at one hour minimum if that employee is required to work beyond 0715 hours EDT.

Minimum Staffing:

In the event that there are less than six personnel assigned to the duty shift, the Fire Chief will call back off-duty personnel to fill the vacancy. In the event that the Fire Chief is not available, the Shift Command Officer will act on his behalf. Personnel will be called back using the established minimum manning procedure. The person called back, regardless of rank, will fill the vacancy on the shift. In the event Fire Department operations are consolidated by the City, the City and the Union will have a special conference to negotiate the minimum staffing number.

In the event of a minimum manning vacancy caused by both the Captain and the Lieutenant being absent; The Fire Chief may call in either a Captain or a Lieutenant to fill the supervisory vacancy.

**ARTICLE 19 - LONGEVITY PAY**

Longevity payment will be based on the following schedule:

<u>Years of Service</u>	
5 - 9 Inclusive	\$310.00
10 - 14 Inclusive	\$340.00
15 - 19 Inclusive	\$370.00
20 - 24 Inclusive	\$400.00
25 - 30 Inclusive	\$430.00
30 and over	\$460.00

Each employee covered by the Agreement shall be paid longevity according to their seniority (based on anniversary year) to be paid in the first pay period of December.

Employees who retire or resign who have not received their longevity pay for the anniversary year shall receive a prorated amount of said pay at the time of retirement or resignation.

In the case of the death of an employee, while still employed, a final payment of 100% of the prorated amount of longevity pay, will be made to the employee's personal estate.

**ARTICLE 20 - UNIFORMS**

All uniforms required of employees in the performance of their duties shall be furnished without cost to the employees by the "City" and maintained in good condition by the employee.

**ARTICLE 21 - FOOD ALLOWANCE**

The daily food allowance shall be paid to all “Union” employees for any shift worked at the Fire Station, as follows:

October 1, 2008 – June 30, 2009	\$12.00 per shift worked
July 1, 2009 – September 30, 2009	\$14.00 per shift worked
October 1, 2009 – September 30, 2010	\$14.00 per shift worked
October 1, 2010 – September 30, 2011	\$14.00 per shift worked
October 1, 2011 – September 30, 2012	\$14.00 per shift worked
October 1, 2012 – June 30, 2013	\$14.00 per shift worked

Food allowance will be paid to those working seven (7) hours during the period from 0700 to 1700. The check for each period set forth above will be issued annually during the first pay period in November. The total amount of the food allowance paid to each employee will be reported as taxable income in compliance with IRS regulations.

In the case of the death of an employee, while still employed, a final payment of 100% of the prorated amount of food allowance, will be made to the employee’s personal estate.

**ARTICLE 22 - PUBLIC PENSION TRUST FUND**

**REGULAR RETIREMENT**

All Fire Department employees shall join Act 345 Marquette City Pension System in accordance with the rules and regulations adopted by the City Commission concerning such matters.

Effective upon signing of contract, straight life pension equals 3.0% of three (3) year average final compensation times the first 25 years of service plus 1% times years of service in excess of 25 years. The employee’s contribution shall be 5%.

To help fund the increase in the multiplier, the bargaining unit has agreed to the following:

- 1) Employee sell back of accrued sick leave to fund 1% of the employees contribution to the fund, and 2.03% of payroll to fund the unfunded accrued liability calculated by the actuarial report.
- 2) A 0% wage increase for the contract period July 1, 2003 – June 30, 2004, to fund the normal cost of multiplier (2.44%) and the additional 0.5% employee contribution to the fund.

The formula used to determine the amount of accrued sick leave required to be sold back per employee is as follows 1:

A. To help fund 1% of the employee contribution:

Total payroll = \$ 964,175.00  
1% of the total payroll = \$ 9,642.00  
Members in the Bargaining Unit = 25

1% of payroll (\$9,642.00 = \$ 385.68, rounded to \$386.00 per member  
members in unit (25)

For each individual.

\$386.00 = Hours required for employee sick leave sell back to fund 1%  
hourly rate employees contribution (rounded to the nearest whole number).

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<sup>1</sup> Formula and numerical amounts based on Gabriel Roeder Actuarial study dated 10/15/01, Supplemental Actuarial Valuation dated 12/31/00.

B. To help fund the 2.03% of payroll for the unfunded accrued liability:

Total Payroll = \$964,175.00  
2.03% of the total payroll = \$ 19,573.00  
Seniority years in the Department = 25

2.03% of payroll (\$19,573.00 = \$ 85.85, rounded up to \$86.00 per seniority year  
Seniority years (228)

For each individual'

\$86.00 x years of service = Hours required for employee sick leave sell-back  
Hourly rate to fund unfunded accrued liability (rounded to the  
nearest whole number).

Average final compensation for regular retirees will be determined as follows: 50% of accrued sick leave to a maximum payoff in accordance with the sick leave article; 100% of all accrued vacation; proration of longevity in accordance with the longevity article; and 100% of compensatory time on record.

The employee retiring will receive final compensation payment of the above amounts at the hourly rate they are currently earning.

#### DUTY DISABILITY

Average final compensation for employees who experience a service connected duty disability will be determined in accordance with the provisions of a regular retiree. All duty disability retirees will have their pension reallocated to a full retirement at age 50.

A full retirement is the equivalent of 25 years of service that the member would have had if not disabled.

#### ANNUITY WITHDRAWAL

1. Employees in the bargaining unit shall have available to them, in addition to the retirement options already in place, an annuity withdrawal option as follows:
2. Definition: The annuity withdrawal is the option that allows members to withdraw their accumulated contributions (with interest) at retirement and thereby forfeit the portion of their retirement allowance which was financed by their contributions.
3. A member wishing to elect this option must make written application to the Act 345 Pension Board no later than one hundred twenty (120) days prior to the effective date of his retirement.
4. The Pension Board shall issue the members annuity payment within thirty (30) days of the date of the member's retirement. The one hundred twenty (120) day notice may be waived at the sole discretion of the Pension Board, however, under no circumstances can it be increased.
5. The parties agree that one (1% percent above the rate of interest used for actuarial evaluation purposes is to be used for employee annuity withdrawal benefit. This option is only available for regular retirant pension at age 50 with 25 years of service. A member who elects the annuity withdrawal option shall have his annual pension reduced accordingly as determined by the Pension Board Actuaries.
6. An employee electing annuity withdrawal shall have the option to defer receipt of the withdrawal amount for up to one (1) year from the effective date of their retirement. However, notice of such election must be made at the time of employee's original retirement application.

#### OPTIONAL RETIREMENT

Section 38.55 of Act 345, which now provides for optional retirement pension applicable to members with fifteen (15) years service, shall modified to be applicable to members with ten (10) years of service.

#### ARTICLE 23 – VACATIONS

- A. Employees who have completed six months of employment for the "City" based on date of hire and upon approval by the Fire Chief will be entitled to utilize earned vacation time as provided for in the following rules:



- B. Accruals will be made on a per pay period basis and will be based on an anniversary year (date of hire). Employees who have attained twenty (20) years of service and above shall be at the maximum fourteen (14) shifts allowed.
- C. All employees who work eight (8) hour shifts and a forty (40) hour average work week and any employee working a 24 hour schedule who reverts to an eight (8) hour shift and a forty (40) hour average work week position, shall accrue vacation based on 75% of the shifts computed vacation schedule in the current contract.

Years of Service	Shifts Computed	Hours/Pay Period
0 – 2	5	4.6154
3 – 9	8	7.3846
10	9	8.3077
11	9.5	8.7692
12	10	9.2308
13	10.5	9.6923
14	11	10.1538
15	11.5	10.6154
16	12	11.0769
17	12.5	11.5385
18	13	12.0000
19	13.5	12.4615
20 or more	14	12.9231

- D. Vacation time may be waived by employees, but in no case during the course of employment shall an employee be paid salary or wages for vacation time not used except as provided for in paragraph F.
- E. If an employee retires or resigns after giving at least two weeks' written notice to the City, he shall be paid for any accrued vacation balance at his regular rate of pay at the time of resignation or termination. In the case of death of an employee; while still employed, a final payment of 100% of the prorated amount of vacation leave, will be made to the employee's personal estate.
- F. Vacation accrual may not exceed 700 hours as of July 1 of each calendar year. Persons with accumulations higher than 700 hours on July 1, 1998 will have the option of converting excess hours to cash or having their vacation cap set at the level of accumulation accrued in their individual account on July 1, 1998.
- G. Employees must request vacation time in minimum increments of 12 hours. Vacation requests that are not submitted by March 1 of each calendar year may be granted with the prior approval of the Fire Chief.

All employees in the bargaining unit will have the option of converting three shifts of vacation time to cash once a year on the first paycheck in July. Said cash payment may, at the employee's option and subject to I.R.S. rulings, be deposited into a deferred compensation plan.

**ARTICLE 24 - PERSONAL TIME**

Twenty-four (24) hours of personal leave time shall be provided on the employee's anniversary date (date of hire). Employees have one year from the date of the award of personal time to utilize it otherwise it will be forfeited. In the case of the death of an employee, while still employed, a final payment of 100% of accumulated personal leave will be made to the employee's personal estate

**ARTICLE 25 - HOLIDAYS**

- A. All employees of the Fire Department are entitled to the following paid regular holidays, whether they worked them or not.

New Year's Day	Labor Day
President's Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

- B. Special holidays or a temporary suspension of business may be declared from time to time by the City Commission.
- C. All 40-hour work week employees will be paid their current rate based on their regular scheduled work day in accordance with the City Hall holiday schedule.

**ARTICLE 26 - FUNERAL LEAVE**

An employee shall be allowed up to 24 hours with pay per incident as Bereavement leave for a death in their immediate family. In addition, an employee may use up to 48 hours of sick leave for bereavement, more days may be used if determined by a medical physician.

Immediate family is to be defined as follows: mother, father, step-parents, brother, sister, wife, husband, son, daughter, step-children, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparents, grandparents-in-law, grandchildren, aunt, uncle, or member of the employee's household.

**ARTICLE 27 - SICK LEAVE**

- A. In case of sickness necessitating absence from duty, employees shall be entitled to sick leave as provided for in the rules which follow: An employee shall accrue 5.00 hours per pay period of sick leave, with pay, beginning on the first day of employment for each anniversary year he is on the "City" payroll.
- B. An employee will be required to furnish a physician's return to work certificate whenever sick leave in excess of two consecutive shifts has been claimed.

Employees failing to provide the required physician certificate shall not be permitted to return to work or be entitled to paid sick leave and said days shall constitute unexcused absences.

- C. Sick leave accrual shall be unlimited during the course of employment to date of retirement, resignation, or death.
- D. Upon the (a) retirement, or (b) resignation from employment of any employee in good standing after at least ten years of service, one-half of such sick leave accumulated at that time shall be paid to the employee, or in the event of his death, to his estate, or otherwise as he may therefore designate in writing to a maximum of one thousand eight hundred (1,800) hours which equates to payment for nine hundred (900) hours. In the case of the death of an employee, while still employed, a final payment of 100% of the accumulated sick leave will be made to the employee's personal estate
- E. Employees shall be allowed up to 48 hours of sick leave per anniversary year (based on date of full-time hire) for care of dependents or spouse.

#### **ARTICLE 28 - WORKERS COMPENSATION**

The "City" shall pay for work-related injuries without charging sick leave for fifteen (15) working shifts before charging accumulated sick leave.

For forty-hour/week employees of the Fire Department, the "City" shall pay for work related injuries without charging sick leave for forty-five (45) days before charging accumulated sick leave. The employee on Workers Compensation after the 15 shifts or 45 days has the option of having his sick leave charged to make up "whole check" wages.

#### **ARTICLE 29 - LEAVE OF ABSENCE**

The City will comply with the provisions of the Family Medical Leave Act (FMLA), Section 585 (a) of the National Defense Authorization Act and City FMLA policy.

#### **ARTICLE 30 - JURY DUTY**

An employee who reports for jury duty during his regular shift will be paid the difference between his pay for jury duty and his regular pay. An employee may be required to provide documentary proof of the actual number of hours that his presence was required by the court.

#### **ARTICLE 31 HEALTH/DENTAL/VISION/PRESCRIPTION DRUG COVERAGE**

##### **A. General Provisions**

1. "Eligible Employees" for purposes of this Article 31 are regular full-time employees and their eligible dependents. Coverage will commence for Eligible Employees and their eligible dependents on the first of the month following the date of hire unless modified by letter of agreement.

2. To receive insurance coverage, an Eligible Employee must make proper application with the Employer, and must keep the Employer informed of any changes in their family, coverage desired, beneficiaries or other information affecting insurance status. The effective date for coverage, or for changes in coverage, will be the earliest date permitted by the insurance carrier(s) following notification of such change by the Employer (or the employee's eligibility date, if later).

3. Unless otherwise specified, "insurance coverage" for purposes of this Article 31 means health and hospitalization insurance, dental insurance, vision coverage, and prescription drug coverage offered by the Employer.

4. The Employer reserves the right to offer alternative insurance carriers, health maintenance organizations, or benefit levels or to self-insure, so long as the new alternative or remaining coverage and benefit levels are substantially similar to those which they are replacing.

5. Upon ratification of this Agreement by the Union and the Employer, each employee will receive a cash "signing bonus" of \$856.16, which represents a one-time cash-out of the \$21,404.04 health insurance credit allotted to the Union in the parties' 2005-2009 collective bargaining agreement. No health insurance credits or premium offsets are carried forward from any prior (pre-July 1, 2009) collective bargaining agreements.

#### B. Coverage

1. Plan Year July 1, 2009 through June 30, 2010:

Upon ratification of this Agreement by the Union and the Employer, the Employer will pay the full monthly premium at the rates effective July 1, 2009, for health and hospitalization insurance, dental insurance, vision coverage, and prescription drug coverage for each Eligible Employee and their eligible dependents, at the benefit levels set forth in Appendix A. Such coverage shall be known as the Employer's "Core Plan".

2. Plan Years July 1, 2010 through June 30, 2013:

Effective July 1, 2010 through June 30, 2013, the Employer will pay the full premiums, subject to the applicable Employee Premium Contribution set forth in Article 31.C. below, for health and hospitalization insurance, dental insurance, vision coverage, and prescription drug coverage for each Eligible Employee and their eligible dependents, including family continuation coverage until June 30, 2012, at the benefit levels set forth in Appendix A.

#### C. Employee Premium Contribution

1. The Employer will pay up to the following amounts toward insurance premiums each month for Core Plan coverage for Eligible Employees and their eligible dependents who participate in the insurance coverage offered by the Employer:

a. From ratification through June 30, 2010, the Employer agrees to pay up to:  
\$462.53 Single; \$1,040.66 Two Person; \$1,295.13 Family.

b. From July 1, 2010 through June 30, 2011, the Employer agrees to pay up to:  
\$494.91 Single; \$1,113.51 Two Person; \$1,385.79 Family.

c. From July 1, 2011 through June 30, 2012, the Employer agrees to pay up to:  
\$529.55 Single; \$1,191.46 Two Person; \$1,482.80 Family.

d. From July 1, 2012 through June 30, 2013, the Employer agrees to pay up to:  
\$566.62 Single; \$1,274.86 Two Person; \$1,586.60 Family.

2. Beginning July 1, 2012, Eligible Employees will pay for family continuation coverage for their participating eligible dependents ages 19-25.

3. All premiums for Core Plan insurance coverage in excess of the amounts stated above in paragraphs C.1.a., b., c., and d. will be paid by the participating Eligible Employee by payroll deduction. The employee may elect to make such payment on a pre-tax basis by funding the payment through the Section 125 cafeteria plan offered by the Employer. Such an election must be made annually in compliance with the plan document.

D. "Buy-Up" and "Buy-Down" Plans; Health Reimbursement Arrangement

1. The Employer will make available two additional, optional insurance coverage packages to Eligible Employees and their eligible dependents. Each package shall consist of health and hospitalization insurance, dental insurance, vision coverage, and prescription drug coverage offered by the Employer's existing carrier(s). One such package will be a "Buy-Up Plan" option, consisting of a coverage package with a greater level of benefits and higher premiums than the Core Plan. The other such package will be a "Buy-Down Plan" option, consisting of a coverage package with a lesser level of benefits and lower premiums than the Core Plan.

2. Each Eligible Employee shall make an annual election of coverage on a date established by the Employer, choosing the "Buy-Up Plan", Core Plan, or "Buy-Down Plan". An Eligible Employee who fails to make a timely election will be covered by the Core Plan.

3. Eligible Employees who elect to participate in the "Buy-Up Plan" for insurance coverage will pay a portion of the premium(s) equal to the difference between the Core Plan monthly premium rates paid by the Employer (subject to the applicable Employee Premium Contribution set forth in Article 31.C, above) and the "Buy-Up Plan" monthly premium rates established by the insurance carrier(s). The employee's payment will be paid by payroll deduction. The employee may elect to make such payment on a pre-tax basis by funding the payment through the Section 125 cafeteria plan offered by the Employer. Such an election must be made annually in compliance with the plan document.

4. For Eligible Employees who elect to participate in the "Buy-Down Plan" for insurance coverage, the Employer will establish a Health Reimbursement Arrangement ("HRA"). The Employer will monthly contribute to the HRA amounts equal to the difference between the Core Plan monthly premium rates paid by the Employer (subject to the applicable Employee Premium Contribution set forth in Article 31.C, above) and the "Buy-Down Plan" monthly premium rates established by the insurance carrier(s). The HRA funds shall be administered by a third-party administrator determined by the Employer. As governed by the HRA plan document, the HRA funds will be available for the employee to offset eligible health care expenses in accordance

with IRS rules while the employee is employed by the Employer or upon retirement from employment with the Employer. Unused HRA funds may be rolled over from plan year to plan year. In the event an employee's employment is terminated in a manner other than retirement, any unused HRA funds will be forfeited. The costs associated with establishing the HRA shall be borne by the Employer; the ongoing administrative costs of the HRA shall be borne by the employee to be deducted from the Employer's HRA contributions during the employee's employment, and deducted from HRA funds during the employee's retirement.

#### E. Coverage Upon Retirement

The Employer will pay \$250.00 per month towards health and prescription drug insurance premiums for retired Fire Department personnel between the ages of 50 and 65 who have acquired 25 years of service in the Department. The Employer will pay \$250.00 per month towards the health and prescription drug insurance premiums for duty disabled firefighters up to age 50 provided the duty disabled retiree does not qualify for Social Security Disability benefits, Medicare, or Medicaid.

Payments can be used for premiums to any health insurance carrier of the retired employee's choice until the retiree reaches the age of 65, provided the retired employee supplies proof of the insurance premium payments to the Employer.

Any insurance premium amounts over \$250.00 per month will be paid by the retiree. All health and prescription drug insurance premium payments by the Employer will cease at age 65 for all Department retirees.

#### F. Coverage Opt-Out

1. Employees who would be considered Eligible Employees but are covered by their spouse's insurance program may elect not to participate in Employer insurance coverage during the annual enrollment period. Cash in lieu of benefit payments shall be paid to employees who are eligible in the amount equal to 50% of the single subscriber premium rates for the Core Plan paid by the Employer in effect at the time of payment (subject to required state and federal taxes) beginning the first pay period after July 1 as stated in the Section 125 Plan document. Such cash in lieu of benefit payments will be made each pay period (26 pay periods per year) that the employee opts out of Employer insurance coverage and will be based upon the single subscriber premium rates for the Core Plan paid by the Employer at the time of payment.

2. Employees shall provide proof of insurance coverage to the Employer to justify the payments.

3. Employees opting out of Employer's insurance coverage will be budgeted for insurance coverage as if the employee had not opted out of the insurance coverage. Any cost savings associated with these additional opt outs will be dedicated to fund the Employer's unfunded accrued liabilities. If the employee later revokes the waiver of coverage, reinstatement of coverage may be contingent upon such limitations and restrictions as the insurance carrier(s) may prescribe.

4. In the event any employee is single, the employee may be paid a maximum of \$25.00 per month through the payroll system while enrolled in the City's group health insurance coverage.

5. Employees who are married to another City employee will receive \$450.00 per year. Said payments shall be made in accordance with the biweekly payroll or may be placed in a tax deferred annuity sponsored by the City and approved by the IRS. Current employees receiving this payment shall continue to receive \$450.00 per year until such time as the employee either:

- a. Resigns, quits or retires.
- b. Opts into the City insurance in accordance with the insurance carrier(s)' policies.
- c. Opts out of the insurance to another employer or self pay policy. (In such case the employee would be eligible for the regular opt out as described in Article 31.F above).

All new employees or other employees not currently receiving this benefit shall not be eligible for \$450.00 per year payment.

#### G. Cafeteria Plan

The Employer will offer a Section 125 cafeteria plan for each employee to participate in at their option, which will include provisions for unreimbursed medical expenses and child care expenses.

### **ARTICLE 32 - LIFE INSURANCE**

All full-time employees are entitled to paid term life insurance in the amount of \$20,000, with coverage commencing six (6) months from date of hire.

### **ARTICLE 33 - SAFETY CLAUSE**

A Safety Committee based upon the NFPA 1500 model will be established by December 1, 1995.

### **ARTICLE 34 - SENIORITY**

A seniority roster shall be compiled and master list maintained in the Fire Chief's Office. The seniority shall be computed from the date of hire in the Fire Department. If an employee resigns or is discharged for cause and is later re-employed by the "City", his seniority rights thereafter shall date from the time of re-hiring and not from the time of his original employment.

Seniority shall take precedence in the selection of vacation picks. A request for a permanent shift change resulting in the two most senior engineers working on the same shift will be subject to review and approval by the Fire Chief. When a vacancy occurs on a shift due to retirement, promotion, voluntary or involuntary termination, or death, seniority takes precedence in the selection of shift preference.

**ARTICLE 35 - SUSPENSION AND DISCHARGE**

An employee shall not be suspended or discharged except for just cause. The employee is entitled to written notice of the reasons for the suspension or discharge at the time of action. A lapse in the following licenses or certifications will be subject to discipline at the "3<sup>rd</sup> Offense" level in the Range of Disciplinary Action under the Fire Department's Rules and Regulations #005 – Discipline: AED-CombiTube; CPR; EMT/MFR.

**ARTICLE 36 - GENERAL**

It is agreed that the provisions of the Employees Code, except as modified herein, are incorporated in this Agreement.

**ARTICLE 37 - NOTICE OF RETIREMENT/TERMINATION**

A firefighter leaving the employ of the City by voluntary termination shall give two (2) weeks written notice to the City by completing the necessary form in the Human Resources Department. A firefighter leaving the employ of the City by retirement shall give four (4) weeks written notice to the City by completing the necessary form in the Human Resources Department.

**ARTICLE 38 - DURATION OF AGREEMENT**

1. This Agreement shall become effective July 1, 2009 and shall remain in effect until June 30, 2013.
2. In the event that negotiations extend beyond the said expiration date of this Agreement, the terms and provisions shall remain in full force and effect pending agreement of a new contract.

**ARTICLE 39 - PAGER**

The City and the Union agree that utilization of electronic pagers will be exclusively for the purpose of alerting off-duty firefighters of working fires or complex emergency incidents requiring significant additional firefighting personnel; and to respond assigned dispatch person initially during the same.

The City and the Union agree that off-duty firefighting personnel utilize pagers whenever reasonably practicable; within defined geographical limits (20 miles from the City limits); and that the utilization will not entail an additional compensation.

The City and the Union agree that the City is not liable to compensate under Article 18, sentence #1, in cases of non-operational paging devices, or of personnel either unable to, or not electing to respond.



**ARTICLE 40 - RESIDENCY REQUIREMENTS**

In accordance with Public Act 212 of 1999; Fire Department employees agree to reside no further than 20 (twenty) miles from the nearest City of Marquette boundaries. (Reference: 15.602 Residency requirements of public employees).

IN WITNESS WHEREOF, we have hereunto set our hands the day and year first above written.

CITY OF MARQUETTE, MICHIGAN

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
John P. Kivela, Mayor

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
David J. Bleau, City Clerk

MARQUETTE CITY INTERNATIONAL  
ASSOCIATION OF FIREFIGHTERS  
LOCAL NO. 643

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
Brian Anderson, President

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
Kurt Hillier, Secretary/Treasurer

Attachments:  
Appendix A – Health Insurance Coverage

# Community Blue<sup>SM</sup> PPO

## Non Standard Plan 10, U.P. Blue, \$250/\$500 Ded In Network, No coinsurance in network, \$750 Prevent, \$20OV/Chiro, RM100, \$150ER

This is intended as an easy-to-read summary. It is not a contract. Additional limitations and exclusions may apply to covered services. For an official description of benefits, please see the applicable Blue Cross Blue Shield of Michigan certificate and riders. Payment amounts are based on the Blue Cross Blue Shield of Michigan approved amount, less any applicable deductible and/or copay amounts required by the plan. This coverage is provided pursuant to a contract entered into in the state of Michigan and shall be construed under the jurisdiction and according to the laws of the state of Michigan.

	In-Network	Out-of-Network
<b>Preventive Care Services – *Payment for preventive services is limited to a combined maximum of \$750 per member per calendar year</b>		
Health Maintenance Exam – includes chest X-ray, EKG and select lab procedures	Covered – 100%*, one per calendar year	Not covered
Gynecological Exam	Covered – 100%*, one per calendar year	Not covered
Pap Smear Screening – laboratory and pathology services	Covered – 100%*, one per calendar year	Not covered
Well-Baby and Child Care	Covered – 100%* <ul style="list-style-type: none"> <li>• 6 visits, birth through 12 months</li> <li>• 6 visits, 13 months through 23 months</li> <li>• 2 visits, 24 months through 35 months</li> <li>• 2 visits, 36 months through 47 months</li> <li>• 1 visit per birth year, 48 months through age 15</li> </ul>	Not covered
Immunizations	Covered – 100%*, up through age 16	Not covered
Fecal Occult Blood Screening	Covered – 100%*, one per calendar year	Not covered
Flexible Sigmoidoscopy Exam	Covered – 100%*, one per calendar year	Not covered
Prostate Specific Antigen (PSA) Screening	Covered – 100%*, one per calendar year	Not covered
<b>Mammography</b>		
Mammography Screening	Covered – 100%	Covered – 60% after deductible
	One per calendar year, no age restrictions	
<b>Physician Office Services</b>		
Office Visits	Covered – \$20 copay	Covered – 60% after deductible, must be medically necessary
Outpatient and Home Visits	Covered – 100% after deductible	Covered – 60% after deductible, must be medically necessary
Office Consultations	Covered – \$20 copay	Covered – 60% after deductible, must be medically necessary
Urgent Care Visits	Covered – \$20 copay	Covered – 60% after deductible, must be medically necessary
<b>Emergency Medical Care</b>		
Hospital Emergency Room	Covered – \$150 copay, waived if admitted or for an accidental injury	Covered – \$150 copay, waived if admitted or for an accidental injury
Ambulance Services – medically necessary	Covered – 100% after deductible	Covered – 100% after deductible
<b>Diagnostic Services</b>		
Laboratory and Pathology Services	Covered – 100% after deductible	Covered – 60% after deductible
Diagnostic Tests and X-rays	Covered – 100% after deductible	Covered – 60% after deductible
Therapeutic Radiology	Covered – 100% after deductible	Covered – 60% after deductible
<b>Maternity Services Provided by a Physician</b>		
Prenatal and Postnatal Care	Covered – 100%	Covered – 60% after deductible
	Includes care provided by a certified nurse midwife	
Delivery and Nursery Care	Covered – 100% after deductible	Covered – 60% after deductible
	Includes delivery provided by a certified nurse midwife	
<b>Hospital Care</b>		
Semiprivate Room, Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies Note: Nonemergency services must be rendered in a participating hospital	Covered – 100% after deductible	Covered – 60% after deductible
	Unlimited days	
Inpatient Consultations	Covered – 100% after deductible	Covered – 60% after deductible
Chemotherapy	Covered – 100% after deductible	Covered – 60% after deductible
<b>Alternatives to Hospital Care</b>		
Skilled Nursing Care	Covered – 100% after deductible	Covered – 100% after deductible
	Up to 120 days per calendar year	
Hospice Care	Covered – 100%	Covered – 100%
	Limited to dollar maximum which is adjusted periodically	
Home Health Care	Covered – 100% after deductible	Covered – 100% after deductible
	Unlimited visits	

**In-Network** **Out-of-Network**

**Surgical Services**

Surgery – includes related surgical services	Covered – 100% after deductible	Covered – 60% after deductible
Voluntary Sterilization	Covered – 100% after deductible	Covered – 60% after deductible

**Human Organ Transplants**

Specified Organ Transplants – in designated facilities only, when coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	Covered – 100%	Covered – in designated facilities only
	Up to \$1 million lifetime maximum per transplant type	
Bone Marrow – when coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504); specific criteria applies	Covered – 100% after deductible	Covered – 60% after deductible
Kidney, Cornea and Skin	Covered – 100% after deductible	Covered – 60% after deductible

**Mental Health Care and Substance Abuse Treatment**

Inpatient Mental Health Care	Covered – 50% after deductible	Covered – 50% after deductible
	Unlimited days	
Inpatient Substance Abuse Treatment	Covered – 50% after deductible	Covered – 50% after deductible
	Unlimited days, up to \$15,000 annual, \$30,000 lifetime maximum	
Outpatient Mental Health Care • Facility and Clinic • Physician's Office	Covered – 50% after deductible	Covered – 50% after deductible
	Covered – 50%	Covered – 50% after deductible
Outpatient Substance Abuse Treatment – in approved facilities	Covered – 50% after deductible	Covered – 50% after deductible
	Up to the state-dollar amount which is adjusted annually	

**Other Services**

Outpatient Diabetes Management Program (ODMP)	Covered – 100% after deductible	Covered – 60% after deductible
Allergy Testing and Therapy	Covered – 100%	Covered – 60% after deductible
Chiropractic Spinal Manipulation	Covered – \$20 copay	Covered – 60% after deductible
	Up to 24 visits per calendar year	
Outpatient Physical, Speech and Occupational Therapy • Facility and Clinic • Physician's Office – excludes speech and occupational therapy	Covered – 100% after deductible	Covered – 100% after deductible
	Covered – 100%	Covered – 60% after deductible
	A combined 60-visit maximum per calendar year for physical therapy in the outpatient department of a hospital as well as in the physician's office	
Durable Medical Equipment	Covered – 100% after deductible	Covered – 100% after deductible
Prosthetic and Orthotic Appliances	Covered – 100% after deductible	Covered – 100% after deductible
Private Duty Nursing	Covered – 50% after deductible	Covered – 50% after deductible
Prescription Drugs	See separate drug plan	See separate drug plan

**Deductible, Copays and Dollar Maximums**

Note: 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.

<b>Deductible</b>	\$250 per member, \$500 family per calendar year Note: Deductible waived if service is performed in a PPO physician's office.	\$500 per member, \$1,000 family per calendar year Note: Out-of-network deductible amounts also apply toward the in-network deductible.
<b>Copays</b> • Fixed Dollar Copays  • Percent Copays	\$20 for office visits and chiropractic manipulation. \$150 for emergency room visits	\$150 for emergency room visits
	No copay for general services. 50% for mental health care, substance abuse treatment and private duty nursing	40% for general services and 50% for mental health care, substance abuse treatment and private duty nursing Note: Services without a network are covered at the in-network level.
<b>Copay Dollar Maximums</b> • Fixed Dollar Copays • Percent Copays – excludes mental health care, substance abuse treatment and private duty nursing copays	None	None
	No copay in net	\$4,000 per member, \$8,000 family per calendar year Note: Out-of-network copays also apply toward the in-network maximum.
<b>Dollar Maximums</b>	\$1 million lifetime per covered specified organ transplant type and a separate \$5 million lifetime per member for all other covered services and as noted above for individual services	

**Optional Riders**

<b>Rider CB-CSR, Cost Sharing Requirements</b>	Changes the member's cost sharing requirements for out-of-state services. Note: This rider is available only to groups in the Upper Peninsula. When Rider CB-CSR is selected, Rider BCP will replace Rider BCP-PPO.
<b>Rider CBC-MT, Copay Requirement for Manipulative Treatment</b>	Imposes the same fixed dollar copay requirement for chiropractic and osteopathic manipulative treatment by a network provider as is required for all network physician office visits.
<b>Rider CB-OV\$20, Office Visit Copay Requirement</b>	Increases fixed dollar copay amount from \$10 to \$20.
<b>Rider CB-RM 100, routine mammograms</b>	Removes deductible and copay requirements from screening mammography services provided by PPO network providers.
<b>Rider CB-ET \$150, emergency treatment copay requirement</b>	Increases dollar copay for outpatient hospital emergency room services to \$150.

<p>Rider CBPCMS750 Increases prevent care maximum from standard \$500 to \$750 per person per calendar year.</p>	<p>Increases the routine preventative care maximum from the standard \$500 to \$750 per person per calendar year.</p>
<p>Rider CI, contraceptive injections  Rider PCD, prescription contraceptive devices  Rider PD-CM, prescription contraceptive medications</p>	<p>Adds coverage for contraceptive injections, physician-prescribed contraceptive devices such as diaphragms and IUDs, and federal legend oral or injectable contraceptive medications.  Note: These riders are only available as part of a prescription drug package.  Riders CI and PCD are part of your medical-surgical coverage and are subject to the same deductible and copay, if any, you pay for medical-surgical services. Rider PD-CM is part of your prescription drug coverage and is subject to the same copay you pay for prescription drugs.</p>

**Blue Preferred Rx<sup>SM</sup> Prescription Drug Coverage**  
**with \$10 Generic / \$20 Preferred Brand / \$30 Nonpreferred Brand, MOPD2X, R90, Contra**  
**Triple-Tier Copay Benefits-at-a-Glance**



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Note: Effective October 1, 2006, the mail order pharmacy for specialty drugs changed to Option Care. Specialty prescription drugs (such as Enbrel<sup>®</sup> and Humira<sup>®</sup>) are used to treat complex conditions such as rheumatoid arthritis. These drugs require special handling, administration or monitoring. Option Care will handle mail order prescriptions only for specialty drugs while many retail pharmacies will continue to dispense specialty drugs (check with your local pharmacy for availability). For your other mail order prescription medications, they can continue to be sent to Medco. A list of specialty drugs is available on our Web site at [bcbsm.com](http://bcbsm.com). Log in under "I am a Member." If you have any questions, please call Option Care customer service at 866-515-1355.

**Network pharmacy**

**Non-network pharmacy**

**Copays**

Note: CMAC – Removes the requirement that a member pay the difference between brand name and MAC generic drug cost.

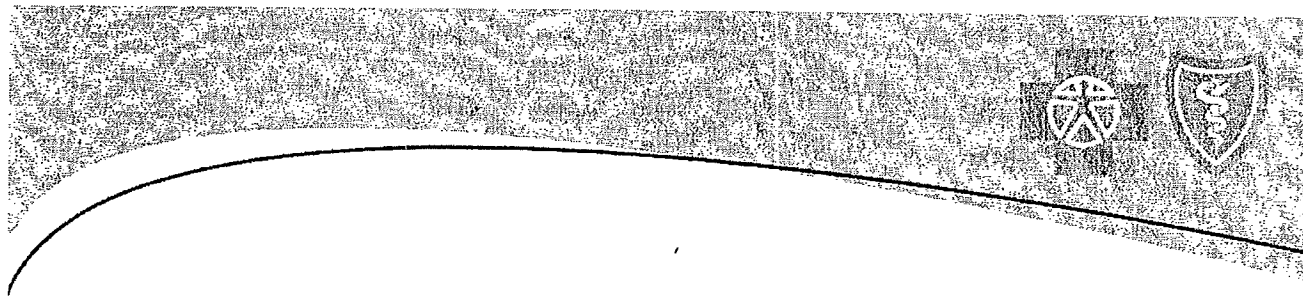
Tier 1 – Generic prescription drugs	\$10 for each prescription	\$10 for each prescription <i>plus</i> 25% of the BCBSM approved amount for the drug
Tier 2 – Formulary brand-name prescription drugs	\$20 for each prescription	\$20 for each prescription <i>plus</i> 25% of the BCBSM approved amount for the drug
Tier 3 – Nonformulary brand-name prescription drugs	\$30 for each prescription	\$30 for each prescription <i>plus</i> 25% of the BCBSM approved amount for the drug
Mail order (home delivery) prescription drugs	Copay for up to a 34 day supply: <ul style="list-style-type: none"> <li>• \$10 for each Tier 1 (generic) drug</li> <li>• \$20 for each Tier 2 (formulary brand) drug</li> <li>• \$30 for each Tier 3 (nonformulary brand) drug</li> </ul> Copay for a 35 to 90 day supply: <ul style="list-style-type: none"> <li>• \$20 for each Tier 1 (generic) drug</li> <li>• \$40 for each Tier 2 (formulary brand) drug</li> <li>• \$60 for each Tier 3 (nonformulary brand) drug</li> </ul>	No coverage

**Covered services**

Federal legend drugs	Covered – 100% less plan copay	Covered – 75% less plan copay
State-controlled drugs	Covered – 100% less plan copay	Covered – 75% less plan copay
Disposable needles and syringes – when dispensed with insulin or other covered injectable legend drugs Note: Needles and syringes have no copay.	Covered – 100% less plan copay for the insulin or other covered injectable legend drug	Covered – 75% less plan copay for the insulin or other covered injectable legend drug
Mail order (home delivery) prescription drugs – up to a 90-day supply of medication by mail from Medco (BCBSM network mail order provider)	Covered – 100% less plan copay	No coverage

Note: A network pharmacy is a Preferred Rx pharmacy in Michigan or a MedImpact pharmacy outside Michigan. A non-network pharmacy is a pharmacy NOT in the Preferred Rx or MedImpact networks.

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**BCBSM Custom Formulary** – 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.

- **Tier 1 (Generic)** – Tier 1 includes generic drugs made with the same active ingredients, available in the same strengths and dosage forms, and administered in the same way as equivalent brand-name drugs. They also require the lowest copay, making them the most cost-effective option for the treatment.
- **Tier 2 (Formulary Brand)** – Tier 2 includes brand-name drugs from the Custom Formulary. Formulary options are also safe and effective, but require a higher copay.
- **Tier 3 (Nonformulary Brand)** – Tier 3 contains brand-name drugs not included in the Custom Formulary. Members pay the highest copay for these drugs.

**Optional riders**

<p>Rider RX-90-2x, prescription drug 90-day supply 2x</p>	<p>Expands retail coverage of prescription drugs from 34 to 90 days, subject to one member copayment that is double the amount that would apply for a 34-day refill. Requires all retail 90-day supplies of medication be obtained from a "90-Day Retail Network" provider, subject to limitations.  <b>Note:</b> If a plan currently has Rider MOPD, the group may add Rider RX-90. Otherwise, Rider RX-90-2x is the only option because the copay at mail order and at retail must match for dispensing up to a 90 day supply.</p>
<p>Rider CI, Contraceptive injections  Rider PCD, Prescription contraceptive devices  Rider PD-CM, Prescription contraceptive medications</p>	<p>Adds coverage for contraceptive injections, physician-prescribed contraceptive devices such as diaphragms and IUDs, and federal legend oral or injectable contraceptive medications.  <b>Note:</b> These riders are only available as part of a prescription drug package. Riders CI and PCD are part of your medical-surgical coverage and are subject to the same deductible and copay, if any, you pay for medical-surgical services. Rider PD-CM is part of your prescription drug coverage and is subject to the same copay you pay for prescription drugs.</p>

# Non Standard Traditional Plus Dental Coverage Plan 7

## Benefits-at-a-Glance 100/80/50-\$1500 OS-50-\$1500



This is intended as an easy-to-read summary. It is not a contract. Additional limitations and exclusions may apply to covered services. For an official description of benefits, please see the applicable Blue Cross Blue Shield of Michigan certificate and riders. Payment amounts are based on the Blue Cross Blue Shield of Michigan approved amount, less any applicable deductible and/or copay amounts required by the plan. This coverage is provided pursuant to a contract entered into in the state of Michigan and shall be construed under the jurisdiction and according to the laws of the state of Michigan.

### Copays and dollar maximums

<b>Copays</b>	20% for Class II services and 50% for Class III and IV services
<b>Dollar maximums</b>	
• Annual maximum (for Class I, II and III services)	\$1,500 per member
• Lifetime maximum (for Class IV services)	\$1,500 per member

### Class I services

Oral exams	Covered – 100%, twice per calendar year
A set (up to 4) of bitewing x-rays	Covered – 100%, twice per calendar year
Full-mouth and panoramic x-rays	Covered – 100%, once every 60 months
Prophylaxis (teeth cleaning)	Covered – 100%, twice per calendar year
Pit and fissure sealants – for members age 19 or under	Covered – 100%, once per tooth every 36 months when applied to the first and second permanent molars
Palliative (emergency) treatment	Covered – 100%
Fluoride treatment	Covered – 100%, two per calendar year
Space maintainers – missing posterior (back) primary teeth	Covered – 100%, once per quadrant per lifetime, for members under age 19

### Class II services

Fillings – permanent teeth	Covered – 80%, replacement fillings covered after 24 months or more after initial filling
Fillings – primary teeth	Covered – 80%, replacement fillings covered after 12 months or more after initial filling
Onlays, crowns and veneer fillings – permanent teeth	Covered – 80%, once every 60 months per tooth, payable for members age 12 and older
Recementing of crowns, veneers, inlays, onlays and bridges	Covered – 80%, three times per tooth per calendar year after six months from original restoration
Oral surgery including extractions	Covered – 80%
Root canal treatment – permanent tooth	Covered – 80%, once every 12 months for tooth with one or more canals
Scaling and root planing	Covered – 80%, once every 24 months per quadrant
Occlusal adjustments	Covered – 80%, up to five times in a 60-month period
Occlusal biteguards	Covered – 80%, once every 12 months
General anesthesia or IV sedation	Covered – 80%, when medically necessary and performed with oral or dental surgery
Adjustment of dentures	Covered – 80%, six months or more after it is delivered
Relining or rebasing of partials or complete dentures	Covered – 80%, once every 36 months per arch
Tissue conditioning	Covered – 80%, once every 36 months per arch
Repair and adjustments of partial or complete dentures	Covered – 80%

### Class III services

Removable dentures (complete and partial)	Covered – 50%
Bridges (fixed partial dentures) – for members age 16 or older	Covered – 50%, once every 60 months after original was delivered
Endosteal implants – for members age 16 or older who are covered at the time of the actual implant replacement	Covered – 50%, once per tooth in a member lifetime when implant placement is for teeth numbered 2 through 15 and 18 through 31

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# Blue Vision 24 Benefits-at-a-Glance



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Blue Vision benefits are provided by Vision Service Plan (VSP), the largest provider of vision care in the nation. To find a VSP doctor, call 800-877-7195 or log onto the VSP Web site at [vsp.com](http://vsp.com).

Note: Members may choose between prescription glasses (lenses and frame) or contact lenses, but not both.

	VSP network doctor	Non-VSP provider
<b>Copays</b>		
• Eye exam	\$5 copay	\$5 copay applies to charge
• Prescription glasses (Lenses and/or frames)	A combined \$10 copay	Member responsible for difference between approved amount and provider's charge, less a \$10 copay
• Medically necessary contact lenses	\$10 copay	Member responsible for difference between approved amount and provider's charge, less a \$10 copay

### Eye exam

Complete eye exam by an ophthalmologist or optometrist. The exam includes refraction, glaucoma testing and other tests necessary to determine the overall visual health of the patient.	Covered – \$5 copay	Reimbursement up to \$35, less a \$5 copay (member responsible for any difference)
One eye exam in any period of 24 consecutive months		

### Lenses and frames

Standard lenses (must not exceed 60 mm in diameter) prescribed and dispensed by an ophthalmologist or optometrist. Lenses may be molded or ground, glass or plastic. Also covers prism, slab-off prism and special base curve lenses when medically necessary. <b>Note:</b> Discounts on additional prescription glasses and savings on lens extras when obtained from a VSP doctor.	Covered – \$10 copay (one copay applies to both lenses and frames)	Reimbursement up to predetermined amount based on lense type after copay (member responsible for any difference)
One pair of lenses, with or without frames, in any period of 24 consecutive months		
Standard frames <b>Note:</b> All VSP network doctor locations are required to stock at least 100 different frames within the frame allowance.	Covered – \$10 copay (one copay applies to both lenses and frames)	Reimbursement up to \$45, less a \$10 copay (member responsible for any difference)
One frame in any period of 24 consecutive months		

### Contact lenses

Medically necessary contact lenses (requires prior authorization approval from VSP and must meet criteria of medically necessary)	Covered – \$10 copay	Reimbursement up to \$210 after a \$10 copay (member responsible for any difference)
One pair of contact lenses in any period of 24 consecutive months		
Elective contact lenses that improve vision (prescribed, but do not meet criteria of medically necessary)	Covered – \$120 allowance that is applied toward contact lens exam (fitting and materials) and the contact lenses (member responsible for any cost exceeding the allowance)	Covered – \$105 allowance that is applied toward contact lens exam (fitting and materials) and the contact lenses (member responsible for any cost exceeding the allowance)
One pair of contact lenses in any period of 24 consecutive months		



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# Non Standard Traditional Plus Dental Coverage Plan 7

## Benefits-at-a-Glance 100/80/50-\$1500 OS-50-\$1500



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### Copays and dollar maximums

<b>Copays</b>	20% for Class II services and 50% for Class III and IV services
<b>Dollar maximums</b>	
• Annual maximum (for Class I, II and III services)	\$1,500 per member
• Lifetime maximum (for Class IV services)	\$1,500 per member

### Class I services

Oral exams	Covered – 100%, twice per calendar year
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Palliative (emergency) treatment	Covered – 100%
Fluoride treatment	Covered – 100%, two per calendar year
Space maintainers – missing posterior (back) primary teeth	Covered – 100%, once per quadrant per lifetime, for members under age 19

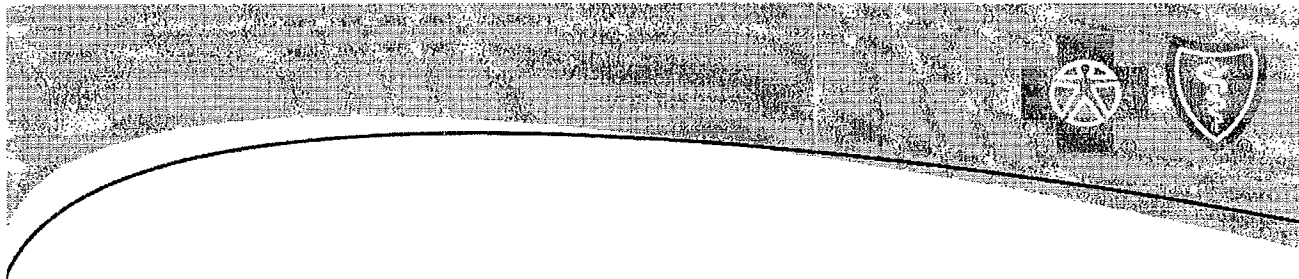
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Repair and adjustments of partial or complete dentures	Covered – 80%

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Bridges (fixed partial dentures) – for members age 16 or older	Covered – 50%, once every 60 months after original was delivered
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**Class IV services – Orthodontic services for dependents under age 19**

Minor treatment for tooth guidance appliances	Covered – 50%
Minor treatment to control harmful habits	Covered – 50%
Interceptive and comprehensive orthodontic treatment	Covered – 50%
Post-treatment stabilization	Covered – 50%
Cephalometric film (skull) and diagnostic photos	Covered – 50%

**Note:** For non-urgent, complex or expensive dental treatment such as crowns, bridges or dentures, members should encourage their dentist to submit the claim to Blue Cross for predetermination *before* treatment begins. If you receive care from a nonparticipating dentist, you may be billed for the difference between our approved amount and the dentist's charge.

