

HOSPITALIZATION, PRESCRIPTION AND DENTAL INSURANCE
Covering Administrative and Non-Union Employees

(Adopted the City Council November 2005)

The Employer shall offer a "Base Plan" for health insurance which shall be Blue Cross/Blue Shield Community Blue Plan 2 or an equivalent plan with a \$10/40 prescription drug card and "50/50" dental plan.

The Employer shall also offer, if permitted by the insurance provider, a "Premium Plan" which shall be Blue Cross/Blue Shield Community Blue Plan 1 or an equivalent plan with a \$10/40 prescription drug card and "50/50" dental plan.

With each rate renewal, the Employer's obligation to pay the premium for the Base Plan shall be limited to 108% of the premium in effect prior to the rate renewal. The employee shall, through a payroll deduction, pay the difference between the Employer's obligation and the actual cost of the plan.

If an employee elects the Premium Plan the employee shall, through payroll deduction, pay the difference between the Employer's obligation for the premium for the Base Plan and the premium for the Premium Plan.

The Employer shall, to the extent permitted by law, establish a payroll deduction mechanism to allow employee's to set aside on a pre-tax basis a portion of the employee's gross pay to be used to pay the employee's share of health insurance premiums.

The Employer agrees, for the life of this agreement, to reimburse each employee for any co-pay exceeding ten dollars (\$10.00) that was paid by the employee for a prescription drug only where no generic equivalent exists for such drug prescribed or where the prescription is written to require the non-generic drug be dispensed.

Such reimbursement shall be subject to a maximum of fifteen dollars (\$15.00) per co-pay reimbursement and five hundred dollars (\$500.00) annually. Employees shall be reimbursed with the last pay period of each month provided the employee provides the Employer adequate documentation of the payment of such co-pay and the documentation are submitted not later than the Friday before the last pay period. Requests for reimbursement that are not timely submitted will be carried over to the following month.

The Employer reserves the right to change insurance providers, or self-insure such coverage, provided such insurance providers are authorized to transact business in Michigan and provided that health insurance benefit levels remain substantially equivalent to the current coverage. Provided however, the Employer agrees to try to provide employees covered by this Policy with forty-five (45) days notice if it elects to change insurance providers or self-insure such health insurance coverage.