

1922

STATE OF MICHIGAN
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
Employment Relations Commission
Labor Relations Division

**TUSCOLA COUNTY and
TUSCOLA COUNTY SHERIFF**

Respondent/Employer,

**Case No. L01 E-8011
Jerold Lax, Chairperson
Homer Lafrinere, Union Delegate
John H. Gretzinger, Employer Delegate**

and

**POLICE OFFICERS LABOR
COUNCIL**

Petitioner/ Labor Organization.

Appearances:

For the Union, John A. Lyons, Esq.
For the Employer, John H. Gretzinger, Esq.

ACT 312 AWARD

Tuscola County and the Tuscola County Sheriff ('Tuscola County') and the Police Officers Labor Council ('POLC') are parties to a collective bargaining agreement that expired on June 30, 2001. Under this collective bargaining agreement, Tuscola County recognizes the Police Officers Labor Council ('POLC') as the exclusive collective bargaining representative of all full time employees included in the Bargaining Unit described below:

All Detective-Sergeants, Sergeants, Lieutenant, Corrections Corporals, Jail Administrators and Secretary to the Sheriff.

EXCLUDING: All elected or appointed officials, all part-time employees, all employees below the rank of Corrections Corporal, all other employees

employed in or through the Sheriff Department, and all other employees employed in or by the County of Tuscola.

There are twelve (12) employees within that collective bargaining unit.

After engaging in collective bargaining and mediation, the POLC filed a Petition for Act 312 Arbitration on January 8, 2002. The County filed an Answer to the Petition that challenged the eligibility of four employees in the positions of jail Administrator, Corrections Corporal and Secretary to the Sheriff to participate in the Act 312 process. The POLC agreed that the Secretary to the Sheriff was not eligible for Act 312, but contended that the remaining three employees were eligible for Act 312.

The Commission determined that the Petition should be processed and appointed Mr. Jerold Lax as the Chairperson of the Arbitration Panel. The dispute regarding the eligibility of individuals to participate in the Act 312 process was processed as a Unit Clarification issue (Case No. UC02 E-015) and was assigned to Administrative Law Judge Roy L. Roulhac for hearing. The UC matter was heard on August 29, 2002 and the parties subsequently submitted post-hearing briefs. The parties agreed to proceed with the issuance of a hearing and decision in this matter, with the understanding that the decision would only be applicable to the classifications determined by MERC

In a 1998 Act 312 Arbitration before Mr. Groty, the parties agreed to utilize Barry County, Cass County, Clinton County, Huron County, Ionia County, Isabella County, Montcalm County, Sanilac County and Van Buren County as comparable communities for purposes of Section 9(d). At the prehearing conference, the parties were unable to agree regarding the comparables to be used in this proceeding. It was Tuscola County's position that Barry County, Cass County, Huron County, Ionia County, Isabella County, Montcalm County, and Sanilac County continued to be comparable, but that it believed changes in

Clinton County and Van Buren County made them no longer comparable communities. In addition, Tuscola County requested the inclusion of Mecosta County, Gratiot County, Branch County, Hillsdale County, Newaygo County and St. Joseph County for use as comparable communities. The POLC took the position that Barry County, Cass County, Huron County, Ionia County, Isabella County, Montcalm County and St. Joseph County were properly considered to be comparable communities. It agreed with Tuscola County that Van Buren County should not be considered to be comparable, but contended that Clinton County continued to be comparable and that Mecosta County, Gratiot County, Branch County, Hillsdale County, and Newaygo County were not comparable. After receiving and reviewing information regarding these parties, Chairperson Lax issued a an Interim Decision on March 3, 2003 determining that the communities to be used in this proceeding would be Barry County, Cass County, Huron County, Ionia County, Isabella County, Montcalm County, Sanilac County and St. Joseph County.

The hearing on the Petition was scheduled for April 24 and 25, 2003. Prior to that hearing the parties agreed to a compilation of the tentative agreement and a listing of the issues in dispute. These issues were:

1. **Disciplinary Procedures (Non-economic)**
2. **Holiday Pay (Economic)**
3. **Holiday Premium Pay (Economic)**
4. **Health Care Insurance Plan Coverage (Non-Economic)**
5. **Health Insurance Plan Description (Non-Economic)**
6. **Changes in Health Insurance Coverage (Economic)**
7. **Payment of Health Care Insurance Costs (Economic)**
8. **Retirement Plan Rider E-2 (Economic)**
9. **Retirement Plan Rider FAC-3 (Economic)**
10. **Retirement Plan Employee contribution (Economic)**
11. **Wages. (Economic)**
12. **Retiree health care insurance (Economic)**
13. **Educational Pay (Economic)**

At the hearing information was received regarding the issues in dispute and the parties waived the time limits of the Act. After the close of the hearing, the County advised that it was withdrawing the issues regarding disciplinary Procedures and Holidays and the POLC advised that it was withdrawing the issue of adding the E-2 rider. Final offers on the remaining issues were received from each party and an executive session of the delegates was held to discuss the merits of each issue.

Act 312, Section 9 provides:

Where there is no agreement between the parties, or where there is an agreement but the parties have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement, and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions and order upon the following factors, as applicable.

- (a) The lawful authority of the employer.
- (b) Stipulations of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
 - (i) In public employment in comparable communities.
 - (ii) In private employment in comparable communities.
- (e) The average consumer price for goods and services, commonly known as cost of living.
- (f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration hearing.
- (h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

The panel has reviewed the evidence submitted at the hearing together with the statutory criteria forth in Section 9 of Act 312, MCL 423.239. After assigning such weight to each statutory criterion as the panel deemed appropriate, the following is the panel's award.

1. **Disciplinary Procedures.** Section 4.3 of the collective bargaining agreement provides:

Section 4.3. Disciplinary Procedures. The discharged or suspended or disciplined employee will be allowed to discuss the discharge, suspension, or discipline with a steward and the Employer will make available an area where the employee may do so before being required to leave the property of the Employer. Upon request, the Employer or his designated representative will discuss the discharge, suspension, or discipline with the employee and the steward of the Union. Should the discharged, suspended, or disciplined employee and the Union consider the discharge, suspension or discipline to be improper, a grievance may be presented in writing through the Union to the Employer. In imposing any discipline on a current charge, the Employer will not take into account any prior infractions which occurred more than twelve (12) previously unless related to the current charge or as provided by law.

The County withdrew its proposal on this issue and the current language will be continued in the new collective bargaining agreement.

2. **Holiday Pay.** The collective bargaining agreement currently provides:

Section 13.1. Holiday Pay. Bargaining unit members shall be paid for eight (8) hours at their regular rate of pay for each of the specified holidays and four (4) hours for each one-half days holiday, whether they work on those days for not. In lieu of said holiday pay the employee shall receive eight (8) hours compensatory time, or four (4) hours for one-half (1/2) holiday, off if the employee so requests. Said request is to be given within the pay period in which the holiday falls, in the event an employee does not elect to receive pay for such holiday, compensatory time off must be taken within twelve (12) months of said holiday.

The County withdrew its proposal on this issue and the current language will be continued in the new collective bargaining agreement.

3. **Holiday Premium Pay.** The collective bargaining agreement currently provides:

Section 13.2. Holiday Premium Pay. All employees of the bargaining unit shall receive two and one-half (1/2) times their regular rate of pay for each hour worked on a holiday. To be eligible for holiday pay, an employee must work their last scheduled day before the holiday, and their first scheduled day after the holiday.

Section 13.5. Holiday Compensatory Time. If an employee's scheduled day off falls on a specified holiday and the employee is requested to work by the Employer and works that holiday, the employee shall be compensated at one and one-half times their regular rate of pay for all hours worked that day plus holiday pay or compensatory time specified in Section 13.1.

The County withdrew its proposal on this issue and the current language will be continued in the new collective bargaining agreement.

4. **Health Care Insurance Coverage.** (a) The collective bargaining agreement currently provides:

Section 1. The employer shall pay for and provide each employee of the bargaining unit Blue Cross/Blue Shield Community Blue PPO Option 1 with prescription drug rider with a five dollar (\$5.00) co-pay and participate in the preferred RX program, effective November 1, 1999 and rider DCCR. The employer shall furnish each employee with a copy of insurance coverage. **The employer shall offer \$1,000 incentive to employees who choose not to carry the County Health Insurance. It shall be paid at the rate of \$38.46 per pay.**

Section 2. Commencing July 1, 1988 the Employer shall contribute annually toward the purchase of a dental insurance plan for the employees, the lesser of the cost of CR50-50-50 MBL-800 or \$1,5000.00. If it is determined that said insurance shall exceed \$1,500 in cost for the contract year July 1, 1988 through June 30, 1989, the employees shall have deducted from their wages a pro-rata share of the excess. The Bargaining unit shall advise the Employer on or before April 30, 1988 the name of the dental insurance provider and the plan in which they desire to be enrolled.

Section 3. The employer will provide a vision care plan for each employee in this bargaining unit with a maximum cost to the employer of \$130.00 per year per employee. If the employee's spouse has a vision plan available, the employee will not be eligible for this plan.

The County and the POLC have agreed to delete the highlighted language regarding employees not needing health care insurance and to cover that issue in Section 15.9. Employees not Needing Health or Dental Insurance.

(b) **Plan existence language.** The County proposes that the language of this section be revised to read as follows:

Section 15.0. Health Care Insurance. The Employer will make available a group medical insurance program covering certain hospitalization, surgical, medical, dental, and vision expenses for participating employees and their eligible dependents. The insurance program will provide the coverage set forth on Appendix B. The specific terms and conditions governing the group insurance program are set forth in detail in the master policy or policies governing the program as issued by the carrier or carriers.

Full-time employees are eligible to participate in the group insurance program no earlier than the first (1st) day of the premium month following thirty (30) days of employment with the Employer in a full-time position or at a date thereafter that may be established by the insurance carrier. Employees electing to participate in the group insurance plan shall complete the applicable forms and shall make arrangements satisfactory to the Employer for the payment of the required monthly cost contribution, if any.

The parties have agreed that this language accurately describes the health care plan and should be included in the collective bargaining agreement.

(c) **Health Insurance Plan.** The County proposed that an Appendix B be created that will provide a summary description of the health, dental and vision care plans. The evidence established that the description of the health care plan in the expired collective bargaining agreement did not accurately describe the current plan. The parties agreed to add the attached Appendix B which accurately describes the current health care plan, as amended by (d) below. (Appendix B will be the Summary Descriptions prepared by Blue Cross for the Health, Dental and Vision Plans. This is the same program as covers all other County employees.

(d) **Changes in Health Insurance Coverage.** The County proposed that current \$5.00 drug co-pay and Preferred RX program be changed to a \$10 generic/\$20 brand name co-pay with 90 day mail order program. (The same program as all other County employees). The final offer of the POLC was to make the same change in the drug co-pay provisions. The parties are in agreement on their offers on this issue and it will be implemented as soon as administratively possible after the issuance of this Award.

5. **Payment of Health Care Insurance Costs.** The collective bargaining agreement currently provides for the County to pay all of the health insurance premiums and a capped amount of the dental and vision insurance premiums. The County proposed to place a cap on the amount that it would pay in future years and the POLC proposed to have the County continue to pay the entire cost. The County's proposal would not change the amount it would be required to pay during the period of this agreement, but would be effective for costs that are effective after December 31, 2003. It is believed that any cost sharing that might be appropriated should be developed as part of the collective bargaining for a successor to this agreement. The POLC's proposal on this issue is awarded and Section 15.2. Payment of Health Insurance Costs will read as follows:

Section 15.2. Payment of Health Care Insurance Costs. The County's self-funded health care insurance plan operates on a Plan year of September 1 through the following August 31. During the term of this Agreement, the County will pay the full cost of this coverage for eligible employees who elect to participate in the group health care insurance plan

6. **Retirement Plan Rider E-2.** The POLC withdrew its proposal on this issue.

7. **Retirement Plan Rider FAC-3.** The collective bargaining agreement currently provides for M.E.R.S. B-4 F50 (25) retirement program for each employee in the bargaining

unit with employees contributing 2.43% of their compensation. The POLC has proposed to add rider FAC-3 to the plan with the County paying the additional cost. The County proposed that there be no change in the retirement plan. This Plan was recently amended to increase the coverage to B-4. In view of the recent change in the plan coverage, changes in funding levels due to investment losses and a lack of support for the FAC-3 rider in the comparables, the County offer of no change is awarded.

8. Retirement Plan Employee contribution. The County proposed that the current 2.43% employee contribution to the retirement plan be increased to 7.13% (2.43% higher than the 4.70% paid by county general employees for their B-3 Plan) in order to cover costs attributable to the Plan. The POLC proposes that there be no change in the employee contribution to the retirement plan. A review of the comparables indicates that the proposed increase would place these employees with higher contributions than employees with similar coverage in the comparable communities. The County has not established a need for a change in employee contribution of this magnitude. The POLC's proposal for no change in the employee contribution is awarded. The retirement provision shall continue as in the expired collective bargaining agreement and shall read:

Section 16.0. Retirement. The Employer shall provide and maintain a M.E.R.S. B-2 F50(25) retirement program for each employee in the bargaining unit at no cost to the employees. Full time employees are required to participate in the retirement plan. Effective July 1, 1997, the M.E.R.S. retirement plan shall be changed to the B-3 F50(25) at no cost to employees. Effective July 1, 2000, the M.E.R.S. retirement plan shall be changed to the B-4 F50(25) with the provision that the member rate to be paid by each employee would increase by 2.43 percent or whatever the appropriate amount, should this be an incorrect percentage, to cover the difference in cost between B-3 and the B-4 programs. All employees of the unit must participate. All costs of the B-4 F50(25) program over the costs of the B-3 F50(25) program shall be paid by the employees.

9. **Wages.** The parties have agreed that the contract period will be from July 1, 2001 through December 31, 2003. The POLC proposed to increase wages 5.00% on 7-1-2001; 5.00% on 7-1-2002; and 5.00% on 7-1-2003 with full retroactivity. The County proposed to increase wages 7.50% effective the first full pay period after issuance of the Act 312 Award and as soon as administratively possible after issuance of the Act 312 award to pay each active employee who in the unit as of April 24, 2003 in the classification of Lieutenant and Jail Administrator the amount of \$4,200 and all other employees \$4,000 in lieu of retroactive pay. In addition, the pay for the Sergeant classification would be increased by an additional \$146 after the 7.50% increase. The proposal of the County is awarded because it more consistent with the salary levels paid in the comparable communities than the proposal of the POLC.

8. **Retiree health care insurance.** The collective bargaining agreement does not provide for any retiree health care insurance. The POLC proposes that employees should receive \$400 per month upon retirement (50 years of age with 25 years of service) and that their insurance should be the same as in effect for employees in the bargaining unit at the time the employee retires. The County proposes to add the following new section:

Section 15.12. Retiree Health Insurance. The Employer shall allow retired employees to participate in the group health insurance program, provided the employee has been a subscriber of the health insurance program prior to retirement and pays one hundred two (102%) per cent of the premium. Payment must be paid one month in advance by the tenth (10th) of the month preceding month of coverage. For purposes of this section, retirement means eligibility for an immediate retirement allowance from MMERS and does not include separations under circumstances that will allow the employee to collect a deferred, vested retirement allowance from MMERS at a later date.

The addition of a retiree health care program has significant financial costs, and normally should be the product of mutual agreement rather than a forced imposition by an Act 312

panel. The proposal of the POLC has several significant problems since it freezes the retiree health care plan in place for retirees so that they could have a better plan than active employees and has no ending date for payments such as upon attaining Medicare eligibility. It also provides a level of payments that are not presently supported by the retiree health insurance programs of the comparable communities. The County proposal does not provide any direct County payments for the cost of the retiree health care insurance coverage, but the County's willingness to guarantee retiree participation at group rates is an indirect subsidy by the County. The County proposal is awarded.

9. Educational Pay. The collective bargaining agreement currently provides (Article 48):

Article 48. College Incentive Program. A college incentive program for full-time employees is recognized and deputies, upon earning college credits, shall receive additional pay per hour. This program shall be based on a credit basis with an accredited college as the credit system to be used for computation. Credits usable toward a degree in law enforcement are the only credits to be computed. According to this program, wages to be paid those Deputies after completing probation shall be as follows:

30 credit hours - 1 % over regular salary

60 credit hours - 2% over regular salary

90 credit hours - 3% over regular salary

B.S. or B.A. Degree in Law Enforcement - 4% over regular salary

The County proposes to revise this provision to read as follows:

Section 14.8. College Incentive Program. Full-time employees who have received a B.S. degree in Police Work shall have an additional \$.50 per hour added to their regular straight time rate of pay.

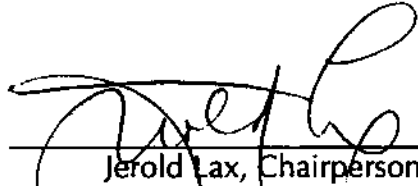
In addition, the County proposes to add the following letter of understanding:

Effective 7-1-2003 the parties agreed to eliminate the payments for 30, 60 and 90 credit hours, and to reduce the payment for BS from 4% to \$.50 per hour. The provisions of Section 14.8 College Incentive Pay notwithstanding, those individuals receiving the 4.00% payment for a B.S. as of April 24, 2003 (Curtis Chambers [\$.80], Glen Skrent [\$.80], Leland Teschendorf [\$.85] and Scott Jones [\$.76]) shall be entitled to the amount indicated per hour instead of the stated \$.50. Those individuals receiving the 3.00% payment for 90 hours as of April 24, 2003 (David

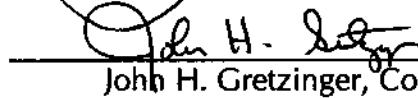
Swartz) will continue to be paid an additional \$.53 per hour Those individuals receiving the 2.00% payment for 60 hours as of April 24, 2003 (Larry Walker and Michael Pine) will continue to be paid an additional \$.40 per hour. In the event that an employee promoted to this unit had an agreement to continue payment of a discontinued college incentive payment or the payment of a college incentive at a rate higher than \$.50, that agreement will continue within this unit.

The comparables indicate that few if any employers pay for advanced education at the level proposed by the County. The County's proposal protects those individuals who are currently receiving higher amounts and is consistent with the payments recently negotiated by the non-command unit in the County's Sheriff department. The County's proposal is awarded.


Dated: May 6, 2003


Jerold Lax, Chairperson

Dated: May 1, 2003


John H. Gretzinger, County Delegate

Dated: May 3, 2003


Homer Lafrinere, POIC Delegate

APPENDIX A **WAGE SCHEDULE**

July 1, 2001 – Act 312 Award (0.00% increase)

	S1	S2	S3	S4
Jail Administrator	\$16.83 hr	\$17.68 hr	\$18.65 hr	\$19.79 hr
Lieutenant	\$16.83 hr	\$17.68 hr	\$18.65 hr	\$19.79 hr
Sergeant/detective Sgt	\$16.05 hr	\$16.80 hr	\$17.68 hr	\$18.76 hr
Corrections Corporal	\$14.34 hr	\$15.05 hr	\$15.82 hr	\$16.59 hr
Sheriff Secretary	\$12.95 hr	\$13.41 hr	\$14.02 hr	\$14.46 hr

Act 312 Award – December 31, 2003 (7.50%% increase)

	S1	S2	S3	S4
Jail Administrator	\$18.09 hr	\$19.00 hr	\$20.04 hr	\$21.27 hr
Lieutenant	\$18.09 hr	\$19.00 hr	\$20.04 hr	\$21.27 hr
Sergeant/detective Sgt	\$17.32 hr	\$18.13 hr	\$19.07 hr	\$20.23 hr
Corrections Corporal	\$15.41 hr	\$16.17 hr	\$17.00 hr	\$17.83 hr
Sheriff Secretary	\$13.92 hr	\$14.41 hr	\$15.07 hr	\$15.54 hr

Blue Cross
Blue Shield
of Michigan

Tuscola County Courthouse

36197-660

Community BlueSM PPO

Benefits-at-a-Glance

Plan 1

Post-It® Fax Note 7671		Date 5-1-03	Page 3
To John Gretzinger		From Julie Dillon	
Co./Dept.		Co. Tuscola County	
Phone #		Phone # 989-672-3700	
Fax #		Fax #	

In-Network

Out-of-Network

Preventive Services - Limited to \$500 per calendar year

Health Maintenance Exam - includes chest X-ray, EKG and select lab procedures	Covered - 100%, one per calendar year	Not covered
Annual Gynecological Exam	Covered - 100%, one per calendar year	Not covered
Pap Smear Screening - laboratory services only	Covered - 100%, one per calendar year	Not covered
Well-Baby and Child Care	Covered - 100% • Up to 6 visits per year, through age 1 • Up to 2 visits per year, age 2 through 3 • 1 visit per year, age 4 through 15	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

Mammography

Mammography Screening	Covered - 100%	Covered - 80% after deductible
	One per calendar year, no age restrictions	

Physician Office Services

Office Visits	Covered - \$10 copay	Covered - 80% after deductible, must be medically necessary
Outpatient and Home Visits	Covered - 100%	Covered - 80% after deductible, must be medically necessary
Office Consultations	Covered - \$10 copay	Covered - 80% after deductible, must be medically necessary
Urgent Care Visits	Covered - \$10 copay	Covered - 80% after deductible, must be medically necessary

Emergency Medical Care

Hospital Emergency Room	Covered - \$50 copay, waived if admitted or for an accidental injury	Covered - \$50 copay, waived if admitted or for an accidental injury
Ambulance Services - medically necessary	Covered - 100%	Covered - 100%

Diagnostic Services

Laboratory and Pathology Tests	Covered - 100%	Covered - 80% after deductible
Diagnostic Tests and X-rays	Covered - 100%	Covered - 80% after deductible
Radiation Therapy	Covered - 100%	Covered - 80% after deductible

Maternity Services Provided by a Physician

Pre-Natal and Post-Natal Care	Covered - 100%	Covered - 80% after deductible
	Includes care provided by a certified nurse midwife	
Delivery and Nursery Care	Covered - 100%	Covered - 80% after deductible
	Includes delivery provided by a certified nurse midwife	

Hospital Care

Semi-Private Room, Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies	Covered - 100%	Covered - 80% after deductible
Note: Nonemergency services must be rendered in a participating hospital	Unlimited days	
Inpatient Consultations	Covered - 100%	Covered - 80% after deductible
Chemotherapy	Covered - 100%	Covered - 80% after deductible

Alternatives to Hospital Care

Skilled Nursing Care	Covered - 100%	Covered - 100%
	Up to 120 days per calendar year	
Hospice Care	Covered - 100%	Covered - 100%
	Limited to lifetime dollar maximum which is adjusted periodically	
Home Health Care	Covered - 100%	Covered - 100%
	Unlimited visits	

Surgical Services

Surgery - includes related surgical services	Covered - 100%	Covered - 80% after deductible
Voluntary Sterilization	Covered - 100%	Covered - 80% after deductible

	In-Network	Out-of-Network
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 maximum per transplant type	
Bone Marrow – when coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504); specific criteria applies	Covered – 100%	Covered – 80% after deductible
Kidney, Cornea and Skin	Covered – 100%	Covered – 80% after deductible
Mental Health Care and Substance Abuse Treatment		
Inpatient Mental Health Care	Covered – 50%	Covered – 50% after deductible
	Unlimited days	
Inpatient Substance Abuse Treatment	Covered – 50%	Covered – 50% after deductible
	Unlimited days, up to \$15,000 annual, \$30,000 lifetime maximum	
Outpatient Mental Health Care		
• Facility and Clinic	Covered – 50%	Covered – 50%
• Physician's Office	Covered – 50%	Covered – 50% after deductible
Outpatient Substance Abuse Treatment – in approved facilities	Covered – 50%	Covered – 50%
	Up to the state-dollar amount which is adjusted annually	
Other Services		
Outpatient Diabetes Management Program (ODMP)	Covered – 100%	Covered – 80% after deductible
Allergy Testing and Therapy	Covered – 100%	Covered – 80% after deductible
Chiropractic Spinal Manipulation	Covered – 100%	Covered – 80% after deductible
	Up to 24 visits per calendar year	
Outpatient Physical, Speech and Occupational Therapy		
• Facility and Clinic	Covered – 100%	Covered – 100%
• Physician's Office – excludes speech and occupational therapy	Covered – 100%	Covered – 80% 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%	Covered – 100%
Prosthetic and Orthotic Appliances	Covered – 100%	Covered – 100%
Private Duty Nursing	Covered – 50%	Covered – 50%
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.		
Deductible	None	\$250 per member, \$500 family per calendar year
Copays		
• Fixed Dollar Copays	\$10 for office visits and \$50 for emergency room visits	\$50 for emergency room visits
• Percent Copays	50% for mental health care, substance abuse treatment and private duty nursing	20% 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.
Copay Dollar Maximums		
• Fixed Dollar Copays	None	None
• Percent Copays – excludes mental health care, substance abuse treatment and private duty nursing copays	Not applicable	\$2,000 per member, \$4,000 family per calendar year
Dollar Maximums	\$5 million lifetime per member for all covered services and as noted above for individual services	

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.



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

Blue Preferred Rx Prescription Drug Coverage with \$10 Generic/\$20 Brand Name Fixed Dollar Copay Benefits-at-a-Glance

Covered Services	Network Pharmacy	Non-Network Pharmacy
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
Needles and Syringes – dispensed with insulin	Covered – 100% less plan copay for insulin	Covered – 75% less plan copay for insulin
Mail Order Prescription Drugs – up to 90-day supply of medication by mail from Merck-Medco Rx Services	Covered – 100% less plan copay	Not Covered

Copays	Network Pharmacy	Non-Network Pharmacy
Generic Drugs	\$10 for each generic drug	\$10 for each generic drug
Brand Name Drugs	\$20 for each brand name drug	\$20 for each brand name drug
Out-of-Network Sanction	Not Applicable	25% plus applicable copay
Mail Order Prescription Drugs (Rider MOPD)	\$10 for each generic drug; \$20 for each brand name drug	Not Applicable

Note: A network pharmacy is a Preferred Rx pharmacy in Michigan or a Merck-Medco Managed Care PAID Prescriptions (PAID) Coordinated Care Network-Level III (CCN-III) pharmacy outside Michigan. A non-network pharmacy is a pharmacy not part of the Preferred Rx or PAID CCN-III networks.

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 certificate and riders. Payment amounts are based on the Blue Cross Blue Shield 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.

TUSCOLA COUNTY COURTHOUSE

GROUP #36197/660



Community Blue PPO with Existing Dental & Drugs Benefits-at-a-Glance Plan 1

In-Network		Out-of-Network
Deductible, Copays and Dollar Maximums		
Deductible	None	\$250 per member, \$500 family
Copays		
■ Fixed	\$10 for office visits and \$50 for emergency room visits	\$50 for emergency room visits
■ Percent	50% for mental health care, substance abuse care and private duty nursing	20% for general services and 50% for mental health care, substance abuse care and private duty nursing. Services without a network are covered at the in-network level
Copay Dollar Maximums		
■ Fixed	None	None
■ Percent, excludes mental health care, substance abuse care and private duty nursing copays	Not Applicable	\$2,000 per member, \$4,000 family
Dollar Maximums	\$5 million lifetime per member for all covered services and as noted above for individual services	
Preventive Services – \$250 per calendar year		
Health Maintenance Exam	Covered – 100%, one per calendar year	Not Covered
Annual Gynecological Exam	Covered – 100%, one per calendar year	Not Covered
Pap Smear Screening – laboratory services only	Covered – 100%, one per calendar year	Not Covered
Well-Baby and Child Care	Covered – 100% ■ 6 visits per year through age 1 ■ 2 visits per year age 2 through 3 ■ 1 visit per year age 4 through 15	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
Mammography		
Mammography Screening	Covered – 100%, one per calendar year, no age restrictions	Covered – 80% after deductible, one per calendar year, no age restrictions
Physician Office Services		
Office Visits	Covered – \$10 copay	Covered – 80% after deductible, must be medically necessary
Outpatient and Home Visits	Covered – 100%	Covered – 80% after deductible, must be medically necessary
Office Consultations	Covered – \$10 copay	Covered – 80% after deductible, must be medically necessary
Emergency Medical Care		
Hospital Emergency Room – approved diagnosis	Covered – \$50 copay, waived if admitted or for an accidental injury	Covered – \$50 copay, waived if admitted or for an accidental injury
Physician's Office – approved diagnosis	Covered – 100%	Covered – 100%
Urgent Care Center	Covered – \$10 copay, waived if a medical emergency or accidental injury	Covered – 80% after deductible, waived if a medical emergency or accidental injury
Ambulance Services – medically necessary	Covered – 100%	Covered – 100%
Diagnostic Services		
Laboratory and Pathology Tests	Covered – 100%	Covered – 80% after deductible
Diagnostic Tests and X-rays	Covered – 100%	Covered – 80% after deductible
Radiation Therapy	Covered – 100%	Covered – 80% after deductible

In-Network

Out-of-Network

Maternity Services Provided by a Physician

Pre-Natal and Post-Natal Care	Covered - 100%	Covered - 80% after deductible
Delivery and Nursery Care	Covered - 100%	Covered - 80% after deductible

Hospital Care

Semi-Private Room, Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies	Covered - 100%, unlimited days	Covered - 80% after deductible, unlimited days
Inpatient Consultations	Covered - 100%	Covered - 80% after deductible
Chemotherapy	Covered - 100%	Covered - 80% after deductible

Alternatives to Hospital Care

Skilled Nursing Care	Covered - 100%	Covered - 100%
	Up to 120 days per calendar year	
Hospice Care	Covered - 100%	Covered - 100%
	Limited to the lifetime dollar maximum which is adjusted annually by the state	
Home Health Care	Covered - 100%	Covered - 100%
	Unlimited visits	

Surgical Services

Surgery, including all related surgical services, anesthesia and surgical assistance	Covered - 100%	Covered - 80% after deductible
Voluntary Sterilization	Covered - 100%	Covered - 80% after deductible

Human Organ Transplants

Liver, Heart, Lung, Pancreas and Heart-Lung	Covered - 100%	Covered - 80% after deductible
	Up to \$1 million maximum per transplant with a 9-month waiting period	
Kidney, Cornea, Skin and Bone Marrow	Covered - 100%	Covered - 80% after deductible

Mental Health Care and Substance Abuse Treatment

Inpatient Mental Health Care and Substance Abuse Care	Covered - 50%	Covered - 50% after deductible
	Unlimited days, up to \$15,000 annual, \$30,000 lifetime maximum per member	
Outpatient Mental Health Care	Covered - 50%	Covered - 50%
■ Facility and Clinic	Covered - 50%	Covered - 50% after deductible
■ Physician's Office	Covered - 50%	Covered - 50% after deductible
	Up to \$2,000 annual, \$5,000 lifetime maximum, combining with inpatient maximum	
Outpatient Substance Abuse Care	Covered - 50%	Covered - 50% after deductible
	Up to the state dollar amount which is adjusted annually	

Other Services

Allergy Testing and Therapy	Covered - 100%	Covered - 80% after deductible
Chiropractic Spinal Manipulation	Covered - 100%	Covered - 80% after deductible
	Up to 24 visits per calendar year	
Outpatient Physical, Speech and Occupational Therapy	Covered - 100%	Covered - 80% after deductible
	Up to 60 visits per calendar year	
Durable Medical Equipment	Covered - 100%	Covered - 100%
Prosthetic and Orthotic Appliances	Covered - 100%	Covered - 100%
Private Duty Nursing	Covered - 50%	Covered - 50%

Existing Prescription Drug Coverage

Preferred Rx Prescription Drug Plan	Network Pharmacy, a Preferred Rx pharmacy in Michigan or a PAID Prescription, Inc. pharmacy outside Michigan: 100% of approved amount less copay
■ Federal-legend drugs	Non-Network Pharmacy, a pharmacy not part of the Preferred Rx or PAID network: 75% of approved amount less copay
■ State-controlled drugs	
■ Needles and syringes	
Mail Order Prescription Drug Rider - MOPD-2-SS	Provides benefits to the Prescription Drug Plan for a 90-day supply of prescribed medications, with a copay for each 90-day prescription or refill.

Existing Dental Coverage

Comprehensive Preferred Dental Plan	Provides Dental Benefits With the following Copay: 100/50/50/1000 MBL
■ Federal-legend drugs	Class I - Diagnostic and Preventive (i.e., oral exams, X-rays, cleaning, etc.)
■ State-controlled drugs	Class II - Restorative, Endodontic and Periodontic, Oral Surgery and Limited Prosthodontic
■ Needles and syringes	Class III - Extended Prosthodontic - Construction of Complete and Partial Dentures

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Tuscola County Courthouse

36197-003

Blue Vision

Benefits at-a-Glance

Blue Vision benefits are provided by Vision Service Plan, the largest provider of vision care in the nation. Members can receive services from one of VSP's over 23,000 member doctor locations or a nonparticipating provider. To find a VSP member doctor, call 1-800-877-7195 or visit VSP's Web site at www.vsp.com.

	VSP Member Doctor	Nonparticipating Provider
Eye Examination		
Covers a complete eye exam including refraction, glaucoma testing and other tests necessary to determine the overall visual health of the patient.	Covered – \$20 copay	Reimbursement up to \$35 less a \$20 copay
	Once every 24 months	
Frames		
A wide selection of quality frames is fully covered by VSP up to the frame allowance. Members should ask their doctor which frames are covered in full. Members may select a more expensive frame and pay a cost controlled price difference.	Covered – \$20 copay (one copay applies to both lenses and frames)	Reimbursement up to \$45 less a \$20 copay
	One frame every 24 months	
Lenses		
Single vision, bifocal and lenticular lenses are covered in full by the plan. Patients can choose glass or plastic lenses, as well as oversized lenses up to 61mm. Pink lens tints (for glare reduction) are also covered in full. Note: Additional pairs of prescription glasses and non-covered lens options are discounted.	Covered – \$20 copay (one copay applies to both lenses and frames)	Reimbursement up to predetermined amount based on lens type after copay
	One pair every 24 months	
Contact Lenses: Members may obtain either eyeglasses or contact lenses, but not both.		
Elective contact lenses (not medically necessary) may be chosen instead of spectacle lenses and a frame.	Covered – \$105 applied toward contact lens fitting, evaluation and materials, member responsible for difference	
	Once every 24 months	
Therapeutic contact lenses (medically necessary) Note: Medically necessary contacts require pre-approval from VSP.	Covered – \$20 copay	Reimbursement to \$210 after a \$20 copay, member responsible for difference
	Once every 24 months	
Copays		
• Eye exam	\$20 copay	\$20 copay applies to charge
• Frames and/or lenses or medically necessary contact lenses	A combined \$20 copay	Member responsible for difference between approved amount and provider's charge, less a \$20 copay

Obess 2-9-02

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Blue Cross Blue Shield of Michigan and Blue Care Network are non-profit corporations and independent licensees of the Blue Cross and Blue Shield Association.