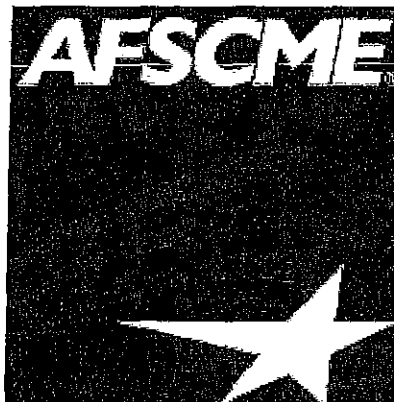


COLLECTIVE BARGAINING AGREEMENT

BETWEEN



AND



**DEPARTMENT OF PUBLIC WORKS
SUPERVISORY EMPLOYEES**

AFSCME LOCAL 1917

JULY 1, 2007 – JUNE 30, 2012

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AGREEMENT

THIS AGREEMENT, made and entered into this July 1, 2007 by and between the City of Sterling Heights (hereinafter referred to as the "Employer" and Local Union No. 1917, affiliated with the International Union of the American Federation of State, County and Municipal Employees and Council #25 on behalf of all Supervisory Employees within the Department of Public Works, excluding Department Heads, Deputy Department Heads, Professional Employees, Confidential Employees, Clerical Employees and all other employees (hereinafter referred to as the "Union").

ARTICLE 1

Recognition - Unit - Security

1.1 The Employer hereby recognizes and acknowledges that the Union is the exclusive representative in collective bargaining with the Employer for those classifications of employees covered by this Agreement listed in Article 20.

1.2 The Employer hereby recognizes the Union as the exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, and other conditions of employment as listed in this Agreement for the term of this Agreement for all members of this bargaining unit.

1.3 This Agreement supersedes and cancels all previous agreements, verbal or written or based on alleged past practices, between the City and the Union and constitutes the entire agreement between the parties. Any amendment or agreement supplemental hereto shall not be binding upon either party unless executed in writing by the parties hereto.

1.4 Membership in the Union is not compulsory. Employees have the right to join, not join, maintain, or drop their membership in the Union, as they see fit. Neither party shall exert any pressure on or discriminate against an employee in regards to such matters. Any employee in the bargaining unit who is not a Union member and who does not make application for membership shall, as a condition of employment, pay to the Union a monthly service charge in an amount equal to the monthly dues uniformly applied to the members as a contribution toward the administration of this Agreement.

1.5 The Union is required under this Agreement to represent all of the employees in the bargaining unit fairly and equally without regard to whether or not an employee is a member of the Union. The terms of this Agreement have been made for all employees in the Bargaining Unit and not only for members in the Union.

1.6 If any provision of the Article is invalid under federal law or the laws of the State of Michigan, such provision shall be modified to comply with the requirements of federal or state law or shall be re-negotiated for the purpose of adequate replacement.

1.7 New employees shall be considered as probationary employees for the first 12 months of employment. After employees have finished the probationary period, they shall be entered on the seniority list and shall rank for seniority from the day they commenced their employment. The Union shall represent probationary employees for the purposes of collective bargaining with respect to rates of pay, wages, hours of employment, and other conditions of employment as set forth in this Agreement, but the Union shall not represent probationary employees for purposes of layoff or discharge. However, the Employer may not discharge probationary employees for the purpose of evading this Agreement.

ARTICLE 2

Union Rights Clause

2.1 The Employer agrees that it will not replace regular employees or require other persons, other than employees in the bargaining unit, to perform work which is recognized as the work of the employees in said unit, except in temporary situations, training, or cases of emergencies. It is not the intent of the City to replace permanent employees with temporary employees. Successive temporary appointments of the same person to the same position shall not total more than six (6) months.

2.2 Any alleged violation of the Union Rights Clause will be subject to an immediate hearing of the Grievance Panel, Step 3, of the Grievance Procedure.

ARTICLE 3

Deduction of Dues

3.1 During the period of time covered by this Agreement, the Employer agrees to deduct from the pay of employees all dues, and/or initiation fees or service charges due Local 1917, acting as collector and pay such amount deducted to said Local 1917; provided, however, that the Union presents to the Employer authorizations, signed by such employee, allowing such deductions and payments to the local Union. This may be done through the steward of the Union.

3.2 The amount of the initiation fee and dues will be certified to the Employer by the Secretary/Treasurer of the Union.

3.3 Dues or service charges deducted shall commence on the first pay period of the month after becoming a member of the bargaining unit and will be deducted monthly thereafter on the first pay period of the month.

3.4 Deduction of initiation fees will be made in two equal amounts from wages payable the following two pay periods from the effective date of the authorization. Dues or service charges deducted for any calendar month by the Employer will be remitted to the designated finance officer of the Local Union as soon as possible after the payroll deductions have been made. The Employer shall furnish the Union finance officer an up-to-date list of those employees who have signed check-off authorizations and whose dues or services have been deducted from their checks.

3.5 Where any employee, who is on check-off, is not on the payroll during the week which deduction is to be made or who has no earnings, or insufficient earnings during the week or is on a leave of absence, double deductions will be made the following months.

ARTICLE 4

Extra Contract Agreements

The Employer agrees not to enter into any agreement with another labor organization during the life of this Agreement with respect to the employees covered by this Agreement; or any agreement or contract with the said employees, individually or collectively which in any way affects wages, hours or working conditions of said employees covered by this Agreement. This is not to be construed to include the normal personnel actions as made by the Civil Service Commission.

ARTICLE 5

Seniority

5.1 Seniority, as promulgated in the City Charter and Civil Service rules shall prevail in the layoff and rehiring of employees, when reducing the work force because of lack of work or other legitimate cause. In the laying off and the rehiring of laid off personnel, seniority in the supervisory classification shall take precedence. Seniority in the department shall be exercised for bids selecting vacations.

5.2 The Employer shall post a list of the employees and classifications arranged in order of their seniority. This list shall be posted in a conspicuous position at the place of employment. Seniority date shall be the date hired.

5.3 Seniority shall be broken only by discharge, voluntary resignation, or layoff for a period of more than two (2) years, or if absent for three (3) consecutive work days without notifying the Employer. In case of emergency, exceptions may be made by the Employer.

5.4 In the event of a layoff, an employee so laid off shall be given one week's notice of recall to work, mailed to the last known address by certified mail. In the event the employee fails to be available for work at the end of one week, all seniority rights under this Agreement shall be lost. However, in proper cases, exceptions may be made at the sole discretion of the Employer.

5.5 An employee in a classification subject to the jurisdiction of this contract, who has been in the past or will in the future be promoted to a classification not subject to the jurisdiction of the Union, shall not accumulate Union seniority while working in a position not subject to Union jurisdiction. The employee who is so transferred or demoted shall commence work in a job generally similar to the one held at the time of promotion, and shall maintain the seniority rank held at the time of promotion.

ARTICLE 6

Discharge or Suspension

6.1 The Employer shall not discharge or suspend any employee without just cause. Discharge must be by proper written notice to the employee and the Union. Any employee aggrieved by such discharge or suspension may seek relief through the Grievance Procedure outlined in Article 7 of this Contract, going immediately to Step #3. The Union will make its determination of choice at the conclusion of Step #3 of the Grievance Procedure.

6.2 In cases of discharge or suspension of five (5) work days or more, the employee may see the Union Steward before leaving City property.

ARTICLE 7

Grievance Procedure

7.1 A grievance is defined as a difference, dispute, or complaint between the City and the Union as to the application or interpretation of this Agreement; and it is mutually agreed that grievances shall only be allowed on items contained in this contract during the life of this Agreement and shall be settled in accordance with the procedure herein provided and that there shall at no time be any strikes, tie-ups of equipment, slow-downs, walk-outs, or any other cessation of work. Every effort shall be made to adjust controversies and disagreements in an amicable manner between the Employer and the Union.

7.2 Should any grievance arise there shall be an earnest effort on the part of the parties to settle such grievances promptly through the following steps:

A. By conference between the aggrieved employee, the Steward or both, and Employer's designate. If not resolved, it shall be the responsibility of the aggrieved to reduce any grievance to writing on the regular grievance form provided by the Union within five (5) work days of the alleged grievance.

B. Upon receipt of the written grievance, a conference between Union and City representatives will be held within ten (10) work days.

C. Grievance Panel: In the event of failure of the above steps in the Grievance Procedure to resolve a dispute, the matter shall be referred to the next meeting of the Grievance Panel consisting of not more than three (3) Union representatives, and not more than three (3) City representatives. The Grievance Panel will meet monthly to settle unresolved grievances, if any. For discharges or suspensions of five (5) days or more, the panel will convene in five (5) days and a decision rendered in 48 hours, and the Union will then determine whether to continue to Step 4.

D. In the event the last step fails to settle the complaint, grievances other than those involving discipline shall be referred to the American Arbitration Association (AAA) or the Federal Mediation and Conciliation Service (FMCS) upon the request of either party.

1. The arbitrator shall be a person mutually agreed to by both the Employer and the Union. In the event the parties have not agreed upon an arbitrator within five (5) days, the moving party may request the selected mediation service to appoint an arbitrator who shall have authority to hear and decide the case.

2. In the event of a refusal by either party to submit to or appear at the arbitration hearing, the arbitrator shall have jurisdiction to proceed ex parte and make an award. The fees and expenses of the arbitrator shall be borne by both parties equally.

3. Grievances must be taken up promptly, and no grievance will be considered or discussed which is presented later than five (5) days after knowledge of alleged grievance.

4. The arbitrator's decision shall be final and binding on the Union, all employees covered by this Agreement, and on the City, but the City or the Union may challenge the award if it was not made in accordance with the arbitrator's jurisdiction and authority under this Agreement.

5. The arbitrator shall have no authority to require the City to purchase buildings, equipment, or material.

a. Powers of Arbitrator: It shall be the function of the arbitrator, and he shall be empowered, except as his powers are limited below, after due investigation, to make a decision in cases of alleged violation of the specific terms and provisions of this Agreement.

- 1) He shall have no power to add to, or subtract from, alter, or modify any of the terms of this Agreement.
- 2) He shall have no power to establish wage scales.
- 3) He shall have no power to decide any questions which, under this Agreement, is within the responsibility of Management to decide.
- 4) In rendering decisions, an arbitrator shall have due regard to the responsibility of Management and shall so construe the Agreement that there will be no interference with such responsibilities except as they may be specifically conditioned by this Agreement. In the event that a case is appealed to an arbitrator on which he has no power to rule, it shall be referred back to the parties without decision or recommendation on its merits.

The fees and expenses of an arbitrator shall be shared by the City and the Union. All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expense of witnesses called by the other.

b. Claims for Back Pay: The City shall not be required to pay back wages more than five (5) work days prior to the date a written grievance is filed, provided, however, that in the case of a pay shortage of which the employee could not have been aware before being paid, adjustments shall be made retroactive to the beginning of the pay period covered by such pay, if the employee filed the grievance within five (5) work days after receipt of such pay.

1) All claims for back wages shall be limited to the amount of wages that the employee would otherwise have earned less any other compensation that may have been received from any source during the period of the back pay.

2) No decision in any one case shall require a retroactive wage adjustment in any other case.

c. Time Limit: Any grievance not advanced to the next step by the Union within the time limit in that step, or if no time limit is specified, within five (5) work days, shall be deemed settled. Any grievance not answered by the City within the specified time limit shall be deemed denied. If time limits are extended by the City and the Union in writing, then the new date shall prevail.

ARTICLE 8

Stewards

8.1 The Employer recognizes the right of the Union to designate a Job Steward and an Alternate for the Unit. Employees shall be represented by a Steward who must be a regular employee. The authority of the Job Steward and Alternate so designated by the Union shall be limited to and shall not exceed the following duties and activities:

A. The investigation and presentation of grievances with the Employer or designated City representative in accordance with the provisions of the Collective Bargaining Agreement.

B. The transmission of such messages and information which shall originate with and are authorized by the Union or its officers, provided such messages and information have been reduced to writing, or if not reduced to writing, are of a routine nature and do not involve work stoppages, slow-downs, or any other interference with the Employer's business.

8.2 The Steward, during work hours, without loss of time or pay, may with the department head's permission be absent in accordance with the terms of this section to investigate and present grievances to the Employer. However, the department head will grant permission within reason and provide sufficient time to the Steward to leave his work for these purposes. The privilege of the Steward leaving work during work hours without loss of time or pay is subject to the understanding that the time will be devoted to the proper handling of grievances and will not be abused, and the Steward will perform regularly assigned work at all times, except when necessary to leave work to handle grievances as provided herein. Any alleged abuse will be a proper subject for disciplinary action by the Employer.

8.3 In addition to the Steward, 40 hours of paid time shall be available to the Union to conduct Union business. The Union must designate who is authorized to use this time and the use of this time shall require prior approval of the department head and/or deputy.

ARTICLE 9

Union Leave of Absence

9.1 The Employer shall give reasonable time off up to thirty (30) days without discrimination of loss of seniority rights or other benefits, without pay to employees designated by the Union to attend a labor convention, seminar, or school, provided 72 hours written notice is given to the Employer by the Union, specifying length of time off for Union activities. However, due consideration shall be given to the number of personnel affected in order that there shall be no disruption of the Employer's operations due to lack of available employees.

ARTICLE 10

Limitation of Authority and Liability

10.1 No employee, Union member, or other agent of the Union shall be empowered to call or cause any strike, work stoppage or cessation of employment of any kind whatsoever. During the life of this Agreement, the Union shall not cause or permit its members to cause nor shall any member of the Union take part in any sit-down, stay-in, or interference of the operations and services of the City. The Union shall not cause or permit its members to cause nor shall any member of the Union take part in any strike or stoppage of any of the City's operations during the life of this Agreement.

10.2 The Union, including its Steward and officers, agrees it will take prompt affirmative action to prevent or stop unauthorized strikes, work stoppages, slow-downs of work, picketing, or work interference of any kind by notifying the employees that it disavows these acts. The Union further agrees that the City shall have the right to discipline any or all employees who violate this Article, and such action shall not be subject to the Grievance Procedure of this Agreement.

10.3 The City for its part, agrees that there shall be no lockout during the term of this Agreement. This lockout provision shall not apply in the event of a strike.

ARTICLE 11

Administrative Obligation

11.1 This Agreement shall be binding upon the parties hereto their successors, administrators, executors, and assigns.

ARTICLE 12

Equipment, Accidents, and Reports

12.1 Any employee involved in any on-the-job accident shall immediately report said accident and any physical injury sustained. An employee, before starting his next shift, shall make out an accident report in writing on forms furnished by the Employer and shall turn in all available names and addresses of witnesses to any accidents.

12.2 It is the duty of the employee who shall immediately or before the end of the shift report all defects of equipment. Such reports shall be made on a suitable form furnished by the Employer and shall be made in multiple copies, one copy to be retained by the employee. When the occasion arises where an employee gives written report on forms in use by the Employer of a vehicle being in unsafe working operating condition, and receives no consideration from the Employer, the matter shall be taken up with the Safety Committee who will take the matter up with the Employer.

ARTICLE 13

Military Service

13.1 Any employee on the seniority list inducted into military, naval, marine or air service, under the provisions of any Federal Selective Service Training Statute, and amendments thereto, or any similar act in time of National Emergency, shall upon termination of such service, be re-employed in line with his seniority, at the then current rate for such work, provided he has not been dishonorably discharged from such service with the United States Government and is physically able to do work available, and further provided he reports for work within ninety (90) days of the date he is discharged from such service with the United States Government.

A. Employees inducted into the Armed Services of the United States, under the provisions of the Selective Service Act, shall be entitled to a leave of absence, without pay, for a period of service required by such original induction. Upon their honorable discharge, and if physically fit to perform the duties of the position of which they held prior to entering the military service, such employees shall be reinstated to their former positions or one comparable to it, providing that they make formal application for reinstatement within ninety (90) days after the date of military service discharge. Military service, as above defined, shall be credited to a reinstated employee's length of city service.

B. A probationary employee who enters the Armed Forces and meets the foregoing requirements, must complete his probationary period and upon completing it, will have seniority equal to the time he spent in the Armed Forces, plus ninety (90) days.

C. Except as hereinbefore provided, the re-employment rights of employees and probationary employees will be limited to applicable laws and regulations.

ARTICLE 14

Management Rights

14.1 The City, on its own behalf and on behalf of its electors, hereby retains and reserves unto itself, without limitation, 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. Further, all rights which ordinarily vest in and are exercised by employers except such as are specifically relinquished herein are reserved to and remain vested in the City, including but without limiting the generality of foregoing the right to:

- A. Manage its affairs efficiently and economically, including the determination of quality and quantity of services to be rendered, the control of materials, tools and equipment to be used and the discontinuance of any services, material or methods of operation.
- B. Introduce new equipment, methods, machinery or processes, change or eliminate existing equipment and institute technological changes, decide on materials, supplies, equipment and tools to be purchased.
- C. Sub-contract or purchase any or all work, processes or services, or the construction of new facilities or the improvement of existing facilities.
- D. Determine the number, location, and type of facilities and installations.
- E. Determine the size of the work force and increase or decrease its size.
- F. Hire, assign and lay off employees to reduce the work week or the work day or effect reductions in hours worked.
- G. Permit municipal employees not included in the bargaining unit to perform bargaining unit work in cases of emergency.
- H. Direct the work force, assign work and determine the number of employees assigned to operations.
- I. Establish, change, combine or discontinue job classifications and prescribe and assign job duties, content and classification subject to Civil Service jurisdiction.
- J. Determine lunch, rest periods and clean-up times, the starting and quitting time and the number of hours to be worked.
- K. Establish work schedules.
- L. Discipline and discharge employees for cause.
- M. Adopt, revise and enforce working rules and carry out cost and general improvement programs.
- N. Transfer, promote and demote employees from one classification, department or shift to another.
- O. Select employees for promotion or transfer to supervisor or other positions and to determine the qualifications and competency of employees to perform available work.

14.2 Nothing in this article is intended to limit any other rights of Management not expressly included in this article where the exercise of such right is not in conflict with any other provisions of this Agreement.

ARTICLE 15

Separability and Savings Clause

15.1 In the event that any provision of this Agreement shall at any time be declared invalid by any court or competent jurisdiction, the decision shall not invalidate the entire Agreement, it being the express intention of the parties that all other provisions shall remain in full force and effect.

15.2 In the event that any provision of this Agreement is held invalid, as set forth above, the parties shall enter into negotiations for the purpose of arriving at a mutually satisfactory replacement for the provision held invalid.

ARTICLE 16

Safety Committee

16.1 The Employer shall consider the personal safety of the employees in establishing operational procedures.

16.2 A Safety Committee shall be composed of Union and Employer representatives who will meet, when necessary, for the purpose of discussing safety and promulgating safety regulations with the understanding that the Employer has the ultimate responsibility and shall make the final determination on all matters of safety and safety rules.

16.3 When an employee is required by a supervisor to work under a condition which the employee regards as a violation of a safety rule, the employee shall have the right to protest, and if ordered by the supervisor to perform the work involved, the employee shall perform the work under protest and shall have the right to refer the matter to the Safety Committee for consideration and recommendation. However, no employee shall be required to work on any equipment or job that has already been written up as unsafe before it is checked and released by a supervisor.

ARTICLE 17

General

- 17.1 Authorized representatives of the Union shall be permitted to visit the operation of the Employer during work hours to talk with the Steward of the Union, and/or representative of the Employer concerning matters covered by this Agreement, without interfering with the progress of the work force.
- 17.2 The Union shall have the right to examine time sheets and other records pertaining to the computation of compensation of any employee whose pay is in dispute or any other records of the City pertaining to a specific grievance, at reasonable times, at the discretion of the Employer.
- 17.3 The Employer shall provide pay periods every other Thursday (bi-weekly). Each employee shall be provided with an itemized statement of earnings and of all deductions made for any purpose. All bargaining unit members shall be required to participate in the City's direct deposit of payroll program.
- 17.4 Should the Employer require any employee to give bond, cash bond shall not be compulsory and any premium involved shall be paid by the Employer.
- 17.5 The Employer shall provide a bulletin board in the DPW Facility where employees hereunder are employed for the posting of seniority and vacation lists and for the use of the Union. Official Union notices are to be posted and must have the signatures of the Union Business Representative or the Steward.
- 17.6 When an employee is required by the Employer to provide his own transportation to and from a job location, he shall receive an allowance in the amount per mile recognized by the Internal Revenue Service as a deductible expense. The Employer will provide transportation wherever possible.
- 17.7 In further consideration of the mutual promises contained herein, the parties hereto expressly agree that neither party shall bring or cause to be brought any legal or administrative action against the other until the dispute, claim, grievance, or complaint shall have been brought to the attention of the party against whom it shall be made.
- 17.8 The City will furnish uniforms (pants and shirts) to the employees of this unit, as well as suitable raincoats, hats, boots, gloves and safety equipment as needed. An employee may be eligible for up to \$300 reimbursement per fiscal year for additional work clothing purchases of City approved jackets, coats, shirts, work boots, Carhart style outerwear and uniform shorts. To obtain reimbursement, employees must present clothing and original

receipt. The Public Works Director will approve or disapprove reimbursement in his sole discretion.

17.9 Effective July 1, 2007, the City will provide a maximum reimbursement of One Hundred and Fifty (\$150) dollars to all employees in the bargaining unit for eye examinations and prescription eyewear each fiscal year. Receipts must be provided to the City for processing the payment.

17.10 All employees of the bargaining unit will reside in Macomb County and/or 20 miles of the City's municipal boundaries within six (6) months from date of hire and will remain as such as a condition of employment with the City.

17.11 The City shall have the right to deduct from an employee's paycheck any overpayment the employee may have received but not entitled to under this Agreement, without the specific written approval of the employee. This will be deducted in amounts equal to the amount of overpayment, over the same amount of time the overpayments were received.

17.12 All bargaining unit members must possess a valid State of Michigan Commercial Driver's License (CDL) at the time of appointment and maintain such license as a condition of employment. In accordance with Federal law, all CDL holders will be subject to random drug and alcohol testing.

17.13 Section 125 Plan. All employees are eligible to participate in the City's Cafeteria Plan, including dependent care and medical reimbursement, as amended and restated in accordance with Federal law. Reimbursements to employees shall be made on a monthly basis for all participants based upon properly completed reimbursement forms.

ARTICLE 18

Promotions

- 18.1 Promotions shall be filled in accordance with the following procedure:
- A. Vacancies will be filled whenever possible by promotional examination based upon ability and giving weight to seniority (at the rate of ½ point per year of City seniority up to a maximum of 8 points added to the passing grade). Employees will be first certified from within the department in which the vacancy exists. The employee's present supervisor cannot stop the employee from promotional moves.
 - B. When the City is filling a vacancy in this bargaining unit and there are no bargaining unit employees that are being considered, then the City is able to consider simultaneously candidates from both the City promotional list as well as from the Open Competitive list. Seniority points will not be added to the scores. This subsection B shall supercede existing Civil Service Rules for those employees from other bargaining units applying for promotion into positions represented by this bargaining agreement.
 - C. The successful employee from within the bargaining unit shall be given a probationary period up to six (6) months to qualify on the job. The employee shall receive the regular rate that provides an increase called for in the new classification. In the event the employee cannot qualify, he shall be returned back to his former position if the position is part of the AFSCME Bargaining Unit.
 - D. The Employer shall post the position City-wide. Lateral transfers in class will be given first consideration.
 - E. Employees shall have the right to request demotion based on seniority. Vacancies caused by requested demotion shall be filled in accordance with A, B, and C above.

ARTICLE 19

Waiver Clause

19.1 The parties acknowledge that during the negotiations which resulted in this Agreement each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered by this Agreement, even though such subject or matter may not have been within the knowledge and contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

ARTICLE 20

Classes of Positions Covered

20.1 This Agreement covers all present and future permanent employees on positions included within the Bargaining Unit as determined by Certification of the State of Michigan, Department of Labor, Employment Relations Commission, Labor Relations Division.

ARTICLE 21

Hours of Work

Normal Working Hours:

21.1 Under normal conditions, the work week will be forty (40) hours consisting of eight (8) hours per day, five (5) days per week, Monday through Friday inclusive, with a one-half (1/2) hour lunch break each day. Normal hours of work are 8:00 a.m. to 4:30 p.m. daily.

21.2 Management reserves the right to change for any purpose, but not to avoid overtime, the normal work week hours. The City will give prior notice to the Union of any change of normal work week hours and, if requested, will meet with the Union to discuss the changes. Employees are required to report to work fifteen (15) minutes prior to the start of their shift to prepare for the work day. This 15 minute shift preparation period is subject to casual overtime provisions.

21.3 An employee shall be granted a fifteen (15) minute coffee break each morning and afternoon (as scheduled by the division head).

ARTICLE 22

Overtime and Call-in Time

Overtime:

22.1 Overtime pay will be one and one-half (1-1/2) times the hourly rate for all hours paid in excess of forty (40) hours in one week, and/or eight (8) hours any one day.

- A. Casual - is the continuation of the present work shift.
- B. Scheduled - overtime that is scheduled by the City on holidays and premium days.
- C. Call-in Overtime - where an employee is called back after the regular shift during the regular work week.

22.2 Overtime work on Sundays or on days celebrated as a holiday by the Bargaining Unit shall be paid at two (2) times the hourly rate for all hours worked. An employee reporting for work on Management instructions on a holiday or premium day (scheduled overtime) shall be guaranteed four (4) hours pay at the appropriate premium rate.

Overtime work shall be permitted only when authorized by the Employer. Distribution of overtime work shall be determined by the Employer.

An employee required to work more than two (2) hours overtime shall be granted a 15 minute coffee break. In the event that such overtime is extended into the 12th hour, the employee will be granted a paid meal period of 30 minutes before the end of the 12th hour.

22.3 Call-in Time:

Any employee reporting for call-in assignments after the regular work shift shall be guaranteed three (3) hours pay at the appropriate premium rate for that day. Call-in on premium days and holidays shall provide no less than four (4) hours guaranteed work at the appropriate premium rate. All call-in for employees covered under this contract shall be in accordance with Appendix D.

22.4 Any change in the DPW Field Unit relative to the procedures and/or compensation based on the emergency snow removal plan, shall be given to this Bargaining Unit.

ARTICLE 23

Vacation

23.1 All full-time employees shall be entitled to vacation time with pay under the following schedules:

- A. Employees who have completed one (1) year to four (4) years of continuous service shall be granted ten (10) work days vacation upon completion of each year without loss of pay.
- B. Employees who have completed five (5) years to nine (9) years of continuous service shall be granted fifteen (15) work days vacation upon completion of each year without loss of pay.
- C. Employees who have completed ten (10) to eleven (11) years of continuous service shall be granted eighteen (18) work days vacation upon completion of each year without loss of pay.
- D. Employees who have completed twelve (12) to nineteen (19) years of continuous service shall be granted twenty (20) work days vacation upon completion of each year without loss of pay.
- E. Employees who have completed twenty (20) to twenty-four (24) years of continuous service shall be granted twenty-two (22) work days vacation upon completion of each year without loss of pay.
- F. Employees who have completed twenty-five (25) years or more of continuous service shall be granted twenty-five (25) work days vacation upon completion of each year without loss of pay.
- G. After new employees have finished the probationary period, they shall be entered on the vacation list and shall earn (accrue) vacation from the day they commenced their employment.
- H. Employees who lose time due to on-the-job disability under Worker's Compensation up to a maximum of eighteen (18) months shall receive their vacation as though the time was worked.

I. Vacation days earned (accrued) for each completed year of service are credited to the employee's vacation bank at the end of the completed year of service.

J. Vacation days can only be accumulated in the amount not to exceed thirty (30) days, except that employees will have the following year to use the vacation credited for the year just completed or have the option of being paid for up to ten (10) days of unused vacation in excess of thirty (30) days at 100%. Vacations will be based on anniversary date for each employee. Vacation earned during one year would be credited and used during the next year. Vacation time may not be taken in the same year based upon monthly accrual, except in cases of emergency if approved in writing by the City Manager.

K. In case of retirement, resignation in good standing, or death of an employee, all accumulated vacation days will be paid at 100%, plus a pro-rata share of vacation by month during year of such event. Employee is deemed to have completed a full month if separation date is at least 15 days past the monthly anniversary date.

L. Vacation shall be year around and can be taken in one hour increments with prior approval of the department head or deputy. In case of illness, said employees can use vacation time, if needed, after all sick time is exhausted.

M. Vacation schedules will be worked out as far in advance as possible. To accomplish this and to consider the wishes of senior employees, each year after December 1st, all employees shall indicate on a yearly calendar vacation requests no later than March 1st.

N. Employees have the right, however, to revise preferences as late as April 15th of each vacation year. After April 1st, all employees who have failed to select their vacation time will take whatever time is available by seniority.

ARTICLE 24

Sick/Personal Leave

24.1 All full-time regular employees will earn (accrue) sick leave at the rate of one (1) day for each full month paid status of employment. Maximum sick leave earned per year shall be 12 days.

24.2 Employees off sick shall be required to bring in a doctor's slip if the City Manager or designate requests it. The Employer may require an examination of the employee, following an illness or injury by a doctor of Employer's choice on city time and city expense.

24.3 At the end of the first bi-weekly pay period ending in June, employees will have 24 hours (if available) converted to personal time from their sick bank to be used in the following fiscal year. After the aforementioned conversion, employees will have all hours in excess of 56 hours in their sick bank converted to personal time. If the personal time is not used by the end of the first bi-weekly pay period ending in June of the next year, the employee will receive compensation computed on the basis of fifty percent (50%) of their regular hourly rate.

The use of the "personal time" is subject to approval in advance but may be requested for use for any reason by the employee. Personal time shall be available for use by the employee in units of one (1) hour or more.

24.4 Accumulated sick leave may be used in the following manner:

- A. Acute personal illness or incapacity over which the employee has no reasonable control.
- B. Absence from work because of exposure to a contagious disease which, according to public health standards, would constitute a danger to health of others by the employee's attendance at work.
- C. If reported before the start of shift, sick leave shall be available for use by employees in units of four (4) hours or more. If taken after the start of shift, sick time shall be equal to the actual time taken, rounded to the next highest whole hour. For doctor and dental appointments, employees may utilize sick leave in one hour increments based upon the following criteria:

1. Employees must request the leave in advance indicating on the request for leave, the doctor's name and address.
 2. The employee will be required to provide the Employer with a receipt from the doctor.
- D. Employees using sick leave during a period that includes a scheduled holiday will be paid for the holiday. The employee cannot be paid for both on the same day, nor will the employee be charged for a day of sick leave.
- E. An employee absent for more than one month, with the exception of paid leave, will earn a sick leave day for the first month only.
- F. Current work day is established to be eight (8) hours for all employees. No employee can draw more than the 40 hours of sick leave during a weekly period.
- G. The printed application of leave form furnished by the Employer must be filled out completely and properly signed and submitted by the employee for sick leave absences.
- H. Upon the employee's death, retirement, or resignation in good standing, the City will pay 50 percent of the accumulated sick leave while unused personal time will be compensated at 100 percent (100%) of the regular hourly rate.

ARTICLE 25

Injury or Illness

25.1 Injury or Illness Arising Out of And in The Course of Employment:

- A. For loss of time on account of injury or illness arising out of and in the course of employment with the City, an employee shall receive full pay for up to one full week, five (5) work days, without drawing on sick leave accumulation for any one injury or illness, but shall not be allowed on reoccurrence of same injury or illness. An employee who continues on Worker's Compensation may be paid the difference between regular wages and payment under the provisions of the Worker's Compensation Act. At the employee's option, the difference between the regular wages and Worker's Compensation will be offset by a reduction of accumulated sick leave on a relative ratio of the regular base weekly wage as it is to the Worker's Compensation weekly rate. In no case shall an employee be compensated by a combination of Worker's Compensation and pro-rated sick leave which will exceed the standard weekly income.

B. During the first eighteen (18) months of a duty-connected disability, the Employer will continue to provide medical, dental, and prescription coverage, and life insurance, at no cost to the employee. Sick leave will be earned only during the first month. Vacation shall be earned as though the time was worked.

If an employee is unable to return to work after eighteen (18) months from the date of the duty-connected disability, the Employer shall cease to provide the individual the benefits outlined in the paragraph above. If there is leave time remaining, such leave time shall be paid to the employee calculated on the employee's appropriate hourly pay rate. The remaining unused sick leave will be computed at 50 percent. Accrued vacation and personal time up to 24 hours will be compensated at 100 percent. Any personal time in excess of 24 hours will be compensated at 50%.

C. If the employee's Worker's Compensation claim is contested by the insurance company, the benefits of subsection 25.1(A) will not be effective until the claim is settled and is found to be in favor of the employee. However, during this period, the disability insurance would be available based upon the terms and conditions of the policy.

D. An employee who loses time on account of injury or illness arising out of and in the course of employment with the City shall continue as a seniority employee for a period of two (2) years from the date of such disability. An employee who is unable to return to work at the end of the two (2) year period shall cease to be an employee.

E. Employees, if requested, will be required to provide a report from a doctor to support the employee's request for sick leave and an authorization from the doctor of his ability to return to work.

25.2

Hazardous Materials/Terrorism Related Duty Injury:

A. Employees injured and disabled while actively involved in the management and/or suppression of a Hazardous Materials/Terrorism incident shall be entitled to full pay and benefits for a period of 24 months from the date of the alleged Hazardous Materials/Terrorism incident, and only when such injuries result in the total disability of the employee. As an example, an employee who returns to work for 12 months after a Hazardous Materials/Terrorism incident, and then is subsequently disabled, and qualifies for full pay and benefits under this article, shall only be entitled to full pay and benefits for 12 months (24 months after the Hazardous Materials/Terrorism incident). After the expiration of

24 months from the date of the Hazardous Materials/Terrorism incident, the additional benefits under this Article shall terminate.

B. Requests for benefits under this Article shall be in writing and filed with the City Manager with a copy to the Human Resources Director and Public Works Director within 30 days of the commencement of the total disability. The City Manager or his designee shall conduct an investigation to determine eligibility for benefits under this article. His decision shall be binding and not subject to appeal or grievance.

C. Eligibility for the benefits under this Article shall be contingent upon the employee filing for and receiving Worker's Compensation wage loss benefits. Any wage loss benefits received via Worker's Compensation shall offset the benefits received under this article.

D. The benefits under this Article shall terminate upon eligibility for a service or disability retirement.

E. To qualify for the benefits under this article, the injury/disability must be solely related to the claimed Hazardous Materials/Terrorism incident. Specifically excluded are disability claims as a result of traveling to or from the Hazardous Materials/Terrorism incident, all training classes and exercises and associated travel, and disability wherein employee negligence or misconduct is a contributing cause.

F. The intent of this Article is to exclude injuries and disabilities that normally occur in the course of employment, and include injuries and disabilities unique only to the added risk in the management and suppression of a Hazardous Materials/Terrorism incident as part of a trained and designated Hazardous Materials/Terrorism response team, and called to service by a qualifying City or other governmental agency. As an example, straining a shoulder moving a "road closed" sign is not covered, exposure to toxic fumes at a Hazardous Materials/Terrorism incident could be covered. Slipping and falling on ice is not covered, injuries from an explosion could be covered.

G. The benefits under this Article shall only apply to qualifying Hazardous Materials/Terrorism incidents, when so designated by the City Manager. The burden of proof is on the employee, not the City. The decision of the City Manager is final and not subject to the grievance procedure.

25.3 Injury or Illness Outside the Scope of Employment:

A. Employees who lose time from work on account of non-duty injury or illness may utilize available sick leave bank during the short term disability waiting period, in accordance with Appendix B. If sick leave is not available for the waiting period for the disability insurance (due to a non-duty related injury), other available leave may be approved for utilization in the sole discretion of the City Manager. The City will continue a non-duty disabled employee's health coverage, when they have filed a disputed Worker's Compensation claim, for eighteen (18) months or until the disputed claim is decided. Should the injury be determined to be not work related, then arrangements will be made for the employee to pay the cost for those excess months of coverage back to the City. During the first four months of a non-duty connected disability, the Employer will continue to provide medical, dental, and prescription coverage, and life insurance. Sick and vacation leave will be earned only during the first month of non-duty connected disability.

B. If an employee is unable to return to work after four (4) months from the date of the non-duty connected disability, the Employer shall cease payment for the fringe benefits outlined in the paragraph above. Thereafter, employees will be afforded their rights under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

C. If an employee is unable to return to work after six (6) months from the date of the non-duty connected disability, all remaining leave time shall be paid to the employee based upon the appropriate hourly rate. The remaining unused sick leave will be compensated at 50 percent. Accrued vacation and personal time up to 24 hours will be compensated at 100 percent. Any personal time in excess of 24 hours will be compensated at 50 percent.

D. An employee who is unable to return to work after twelve (12) months from the date of the non-duty connected disability, shall cease to be a seniority employee.

25.4 Subrogation: Where the injury or occupational disease for which compensation is payable under the provision of the contract was caused under circumstances creating a legal liability in some person other than a neutral person in the same employee of the Employer to pay damages in respect thereof, the acceptance of benefits or the taking of proceedings to enforce payments shall not act as an election of remedies, but such injured employee or his dependents or their personal representative may also proceed to enforce the liability of such third party for damages in accordance with the provisions of this section. If the injured

employee, dependents or personal representative does not commence such action within one (1) year after the occurrence of the personal injury or occupational disease, then the Employer or its Worker's Compensation insurance carrier or other insurance carrier may, within the period of time for the commencement of actions prescribed by statute, enforce the liability of such other person in the name of that person.

Not less than thirty (30) days before the commencement of suit by any party under this section, such party shall notify, by registered mail at the last known address, the injured employee or, in the event of his death, known dependents or personal representative or known next of kin and the Employer. Any party in interest shall have a right to join in said suit.

Prior to the entry of judgment, either the Employer or its insurance carrier or the employee or personal representative may settle their claims as their interest shall appear and may execute releases therefor. Such settlement and release by the employee shall not be a bar to action by the Employer or its compensation insurance carrier to proceed against said third party for any interest or claim it might have.

In the event the injured employee, dependents or personal representative shall settle their claim for injury or death, or commence proceeding thereon against the third party before the payment of benefits, such recovery or commencement of proceedings shall not act as an election of remedies and any monies so recovered shall be applied as herein provided.

In an action to enforce the liability of a third party, the plaintiff may recover any amount which the employee, dependents or personal representative would be entitled to recover in an action in tort. Any recovery against the third party for damages resulting from personal injuries or death only, after deducting expenses of recovery, shall first reimburse the Employer or its insurance carrier for any amounts paid or payable under the provisions of this Article to the date of recovery and the balance shall be forthwith paid to the employee, dependents or personal representative and shall be treated as an advance payment by the Employer on account of any future payment of benefits.

Expenses of recovery shall be the reasonable expenditures, including attorney fees, incurred in effecting such recovery. Attorney fees, unless otherwise agreed upon, shall be divided among the attorneys for the plaintiff as directed by the Court. The expenses of recovery above-mentioned shall be apportioned by the Court between the parties as their interests appear at the time of said recovery.

ARTICLE 26

Holidays

26.1 All employees will be eligible to receive holiday pay under the following regulations: employees will be paid their current rate based on a normal eight (8) hour day. Paid holidays are designated as:

New Year's Day	Veterans' Day
Martin Luther King, Jr. Day*	Thanksgiving Day
Good Friday	Day after Thanksgiving
Memorial Day	December 24th
Fourth of July	Christmas Day
Labor Day	December 31st

- * Martin Luther King, Jr. Day shall be taken as a floating holiday to be used by the employee with advanced approval from the supervisor. The floating holiday shall be treated as a vacation or personal for the purposes of call-in overtime distribution.

26.2 The employee must work or be on paid leave the day before a holiday and the succeeding work day after a holiday in order to receive the holiday pay.

26.3 Employees working on an approved holiday will be paid for hours worked at the rate of two (2) times the normal pay rate.

26.4 Should a full paid holiday fall on Saturday, then the Friday preceding that day will be taken as the paid holiday; and if the full paid holiday falls on a Sunday, then the Monday following shall be taken as a paid holiday.

26.5 No Union employee shall be required to work on Labor Day, except in case of emergency.

26.6 Holidays recognized by Item 1 of this Article that fall within an employee's vacation period will not be considered as part of a vacation and shall be taken by extending the vacation period one (1) day for each such holiday or be credited an additional day at the discretion of his supervisor.

ARTICLE 27

Other Leave

27.1 Any employee required to serve on jury duty will suffer no loss of pay but will be paid the difference between jury and regular pay.

27.2 Funeral Leave: An employee shall be entitled to pay for up to five (5) calendar days beginning with the date of death, per funeral, to make preparations for and attend the funeral and burial of, and to take care of matters subsequent to the burial caused by the death of the following members of the employee's family: spouse, parents, children, step-children, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparents, spouse's grandparents, and step-father, step-mother, and any dependent member of the employee's family residing in the employee's household.

ARTICLE 28

Salary and Wages

28.1 The pay ranges and steps in Appendix A will apply to classifications as indicated effective July 1, 2007 to June 30, 2012 on all hours worked. Advancement to the next step in the range assigned to the class (if steps are left) will be at increments of six (6) months from the last regular step raise until the top step is reached. New or newly promoted employees will normally start at the first step shown in the range or at the first step that provides an increase and progress.

28.2 The allocation listing in no way diminishes Management's right to change duties and responsibilities assigned to positions and therefore, cause possible changes in class assignments to positions.

28.3 Wage increases are as follows:

7/1/07 – 2.75%
7/1/08 – 3%
7/1/09 – 3%
7/1/10 – 3%
7/1/11 – 3%

ARTICLE 29

Performance Pay

29.1 Effective July 1, 2007 and each year thereafter, employees will receive a bonus based upon job performance (the rating received in the City's Performance Evaluation Program) and years of service. All employees shall be evaluated by their immediate supervisor during the month of June each year. Those employees who receive a "meets expectations" or "exceeds expectations" or better, shall be entitled to the performance pay in July, based on the following schedule:

<u>Years of Service</u>	<u>Meets or Exceeds Expectations</u>
5 – 9 years of continuous service	2% of base pay
10 – 14 years of continuous service	3% of base pay
15 – 19 years of continuous service	6% of base pay
20 – 24 years of continuous service	8% of base pay
25 years of continuous service	10% of base pay

Employees who receive performance evaluation below "meets expectations" will not receive performance pay. The parties agree that any dispute of an employee's evaluation shall follow the grievance procedure with the following changes:

- A. The evaluation must be less than meets expectations.
- B. The last step of the grievance procedure will not be arbitration, but shall be processed to the City Manager. This decision will be final and binding.

Employees retiring, new in the Unit, or absent for any reason shall be eligible for a prorated portion of the performance pay based on the number of months worked.

ARTICLE 30

Shift Allowance

30.1 Employees in the classifications covered by this agreement shall be paid the same shift allowance as provided in the DPW Field Unit Agreement (comparable contract years).

30.2 The afternoon shift is defined as those hours normally construed to fall within the time frame from 4:00 p.m. to midnight, and the midnight shift from midnight to 7:30 a.m. However, the specific times covered by the above-mentioned rate will be determined by the work schedule or assignment of the employees.

30.3 If the preponderance of the hours fall into one category, then that rate will be utilized to pay all hours. Shift allowance will be paid only for the normal shift and not for overtime worked. Shift preference is to be determined by bargaining unit seniority.

ARTICLE 31

Medical Benefits and Life Insurance

31.1 Medical, hospitalization, and prescription benefits will be provided to employees including family coverage at no cost to the employee.

The base coverage shall be the Blue Cross/Blue Shield Community Blue Plan 10. Appendix F titled "Community Blue PPO Benefits-at-a-Glance Plan 10" is a summary of covered services including deductibles, co-pays, and co-pay dollar maximums. Employees will have the option of choosing Health Alliance Plan as an alternative health care provider. Any additional costs in excess of the base coverage will be paid by the employee through payroll deduction. The illustrative rates determined by Blue Cross/Blue Shield for the base Community Blue plan shall be the rates used to determine the excess cost an employee will be responsible to pay.

The medical coverage for Health Alliance Plan (HAP) remains the same. However, employees selecting this option will be responsible for co-pays as follows: \$10.00 office visit, \$10.00 urgent care, and \$25.00 emergency room.

For all new employees hired after the signing of this Agreement, the basic medical and hospitalization coverage shall be Blue Cross/Blue Shield Community Blue Plan 7. Appendix G titled "Community Blue PPO Benefits-at-a-Glance Plan 7" is a summary of covered services, including deductibles, co-pays and co-pay dollar maximums. Health Alliance Plan (HAP) will be available as an option as indicated above. Employees electing any option that becomes more expensive than the base coverage will have the difference in illustrative rate or premium deducted from their payroll check on a monthly basis.

Prescription drug coverage will be provided to employees receiving medical and hospitalization coverage. The generic co-pay will be \$5.00 and the brand name co-pay will be \$20.00. The City will carve out the prescription drug benefit from the health plans available under this Agreement to the extent allowed by the health plan offered and place the administration of the benefit with a Pharmacy Benefit Manager (PBM) selected by the City. The City reserves the right to change the PBM with 90 days' written notice.

The City will reimburse employees for the cost of childhood immunizations (to age 16). To obtain reimbursement, all immunizations must be performed at the Macomb County Health Department and employees must present original receipts.

The City has the right to offer cost saving health coverage options on a voluntary basis to the Union during the life of this contract.

31.2 Health Insurance Allowance Each employee who chooses not to join an Employer sponsored health care program (Blue Cross/Blue Shield, or Health Alliance Plan), and whose spouse or parent has coverage provided, shall be paid One Thousand Five Hundred (\$1,500) Dollars each year for every year that the spouse or parent has coverage. Payments will be made annually in December, to each employee who has not been on any Employer sponsored health care program, except that payments will be prorated monthly to meet the date the employee first participates and/or ends participation in the program. The employee will be required to show proof that a spouse or parent has health care coverage that includes the employee and their dependents before said employee will be declared eligible to receive the One Thousand Five Hundred (\$1,500) Dollars annual payment.

31.3 Re-Enrollment Protection. Employees whose spouse's or parents' health care plans cease to cover the employee and their dependents, must re-enroll in an Employer-sponsored health care plan. In such cases, the employee shall be allowed to enroll in an Employer-sponsored plan immediately subject to the appropriate health insurance carrier's implementation.

31.4 Life insurance will be carried for each seniority employee by the Employer. Coverage will be computed on the basis of 1 ½ times annual salary, with double indemnity for accidental death.

ARTICLE 32

Pension and Retiree Medical Coverage

32.1 A Pension Plan will be provided under the terms of the City Charter. For the purpose of this section, the term "retiree" is defined as any employee who retires by virtue of fulfilling the age and service requirements for retirement and who immediately upon leaving the Sterling Heights employment received retirement benefits from a duly established City of Sterling Heights Retirement System. Employees who retire as a result of a duty-connected disability are likewise included.

32.2 Vesting of pension benefits shall occur after ten (10) years of credited service with the City.

32.3 All employees of this bargaining unit will have a pension benefit calculated with a 2.3% multiplier and a final average compensation based on the best three (3) of the last ten (10) years.

32.4 Effective with the signing of this Agreement, the requirements to qualify for a service retirement for employees in this bargaining unit shall be years of service plus age totaling seventy-five (75) or more. These requirements shall supersede all retirement qualification language in the City Charter and Pension Ordinance, except those dealing with duty and non-duty death, deferred or disability retirements.

32.5 The Employee's pension contribution shall be five percent (5%) of earned income.

32.6 Final Average Compensation shall include all taxable income received – excluding allowances and reimbursements and shall include income paid into any deferred compensation plan.

32.7 In addition to the retirement options provided under the City Charter, employees shall have the option of selecting the "Pop-up" provision. Under this option a retiree who elects to receive a reduced retirement income based upon the joint and survivor method (wherein the retiree's spouse shall be eligible to receive said reduced pension income, for the remainder of his/her life should the retiree predecease said beneficiary), may, on a one-time basis, revert to one hundred (100%) percent of the amount provided said retiree for a straight life pension should the designated beneficiary predecease the retiree. Any extra cost associated with a retiree's election of this "Pop-up" provision, shall be paid by the employee/retiree who elects to use said provision, in the form of a further reduced pension amount determined by the General Employees Retirement System Actuaries.

32.8 Annuity Withdrawal. Members in the Bargaining Unit shall have available to them, in addition to the retirement options already in place, an annuity withdrawal option as follows:

- A. Definition - The annuity withdrawal is the option that allows members to withdraw their accumulated contribution (with interest) at retirement and thereby forfeit the portion of their retirement allowance which was financed by their contributions.
- B. A member wishing to elect this option must make written application to the General Employees Retirement System Pension Board no later than one hundred twenty (120) days prior to the effective date of their retirement.
- C. The Pension Board shall issue the member's retirement. The one hundred twenty (120) day notice may be waived at the sole discretion of the Pension Board, however, under no circumstances can it be increased.

- D. The parties agree that the Merrill-Lynch Bond Index will be used for the purposes of computing the annuity withdrawal option. The most current index prior to the member's retirement date shall be used. This option is only available for normal service retirement. A member who elects the annuity withdrawal option shall have their annual pension reduced accordingly as determined by the Pension Board Actuaries.
- E. Employee contributions for prior municipal and military service buybacks are not included in an annuity withdrawal.
- F. Duty disabled retirees shall be allowed the option to take their annuity withdrawal under this Section at the time of their duty disability retirement rather than at the time of conversion to a regular service retirement.

32.9 Defined Contribution Plan.

- A. All employees hired by the City after the signing date of this Agreement who become members of the bargaining unit shall receive retirement benefits through a defined contribution plan established through Article I of Chapter 41 of the City Code, as amended; provided, however, an employee of the City participating in the pension plan provided under the terms of Chapter 19 of the City Charter and the applicable sections of Chapter 41 of the City Code, as amended at the time of becoming a member of this bargaining unit shall continue such participation in accordance with the provisions of Article 31.1 of this Agreement. Defined contribution plan benefits shall be in lieu of all defined benefit pension entitlements provided in the City Charter or Article II of Chapter 41 of the City Code as amended.
- B. An employee's contribution shall be a minimum of five percent (5%) of gross earnings up to the maximum allowable voluntary contribution under the Internal Revenue Code and regulations. The City's contribution shall be seven percent (7%) of base salary. Members shall vest after five (5) years.

32.10 Deferred Compensation. Effective January 1, 2008, the City will contribute \$800 annually to each employee's established deferred compensation account. This payment will be prorated throughout the year and depositing in the employee's account with their bi-weekly pay.

32.11 Medical Benefits for Retirees.

- A. The City will provide Blue Cross/Blue Shield medical, hospitalization, and prescription coverage (collectively "retiree medical coverage") to retired employees/spouses equal to the medical coverage at the time of retirement; provided, however, that all employees hired by the City after July 1, 2007 who become employees of this Bargaining Unit shall be required to pay fifty percent (50%) of the illustrative rate for retiree medical coverage for which they are eligible upon retirement. If payment is not made by the fifteenth (15th) of the month retiree medical coverage shall be canceled effective the first (1st) of the following month.
- B. Effective July 1, 2007, the requirements to qualify for retiree medical benefits during retirement for employees of this bargaining unit shall be years of service plus age totaling seventy-five (75) or more.
- C. Upon reaching age 65 or eligibility for Medicare, the retired employee and/or spouse must apply for Medicare coverage. The City will provide complimentary coverage with riders to provide a continuation of benefit level. All bargaining unit personnel shall be eligible subject to conditions established by the City. Retirees are responsible for paying any costs associated with Medicare coverage.
- D. Post Employment Health Plan. Effective with the signing of this agreement or as soon as possible thereafter, the City will adopt a Post Employment Health Plan (PEHP) allowing employees hired after July 1, 2007 to accumulate assets to pay for medical expenses in retirement on a tax-free basis. For eligible employees, the City will contribute \$500 on an annual basis (prorated with each biweekly pay) to this plan.

32.12 Retirees shall be provided Ten Thousand (\$10,000) Dollars worth of term life insurance until age 70. The premium for said policy shall be paid by the City. The City provides no guarantees or assurances regarding coverage under any policy provided by this Article.

ARTICLE 33

Educational Assistance

33.1 The Educational Reimbursement Program is offered to encourage employees to improve present job skills, thereby increasing their productive value to the City. Such a program will also assure the establishment of a quality work force, assisting employees in preparing for future advancement within the City.

33.2 The scope of the program does not include special seminars or "short courses" of a few days' duration which will continue to be considered on an individual and departmental training basis as in-service training.

33.3 The following provisions are established to govern the administration of the City's Educational Assistance Program.

A. Application for educational assistance may be made by any full-time permanent employee who has completed the designated probationary period.

B. Applications will be considered if the employee is eligible for or receiving funds for the same course from any other source (GI Bill, scholarships, vocational rehabilitation, etc.). However, reimbursement under this program shall be limited to the difference between the other funds for which eligible or received for the same course and reimbursement in accordance with Section E of this Article.

C. Applications are to be submitted for approval by the department head and Human Resources Director in advance of beginning the course and only for course work directly related to the employee's present job or directly related to a promotional position. A nexus between the employee's present job or promotional position and the courses undertaken must be established for consideration.

D. Reimbursement shall be made only for course work completed at accredited high schools, trade schools, colleges, and universities.

E. There shall be a 75% reimbursement for tuition and required textbooks based upon courses completed with a "C" or numerical equivalent, or for non-graded courses when the grade received is "satisfactory" or "passing". The maximum benefit is two thousand (\$2,000) dollars per year for undergraduate courses and three thousand (\$3,000) dollars for graduate courses.

- F. In the event that an employee terminates as an employee from the City within a two year period subsequent to completion of the end of the semester, the employee will be required reimburse the City for all costs relating to the Education Reimbursement Program. If these standards are not complied with, reimbursement to the City will be due for that portion that corresponds to the two years. Example: An employee receives education aid reimbursement check in December 15, 2007 (for fall semester 2007). If the employee leaves city employment prior to December 16, 2009, the amount paid on December 15, 2007 must be reimbursed to the City.
- G. Employees must submit an official school transcript showing a final grade received. The employee shall be considered as having completed a class when the term for which the school quotes the tuition fee is concluded.
- H. As funds for Educational Assistance are limited, priority shall be governed by the time and date that completed applications are received in the Human Resources Office. Approval and reimbursement for educational assistance is contingent upon the availability of funds, the employee's successful completion of the course, and adherence to the policies and procedures.
- I. Expenses such as student fees, matriculation fees, lab fees, parking, and mileage shall not be part of the Educational Assistance Program.

ARTICLE 34

Termination of Agreement

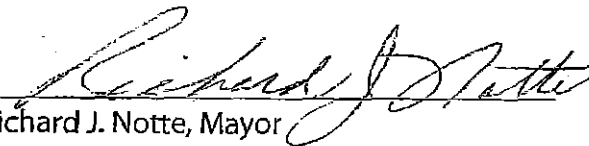
34.1 This Agreement shall be in full force and effect from July 1, 2007 up to and including June 30, 2012 and shall continue in full force and effect from year to year thereafter unless written notice of desire to cancel, terminate, amend or revise the Agreement is served by either party upon the other, at least ninety (90) days prior to the date of expiration.

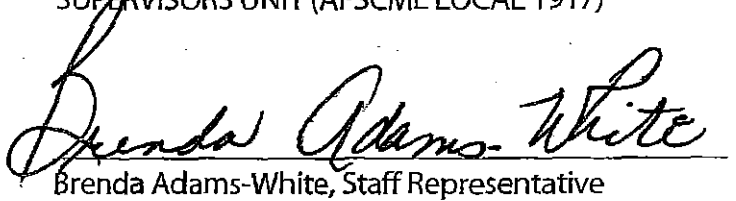
34.2 Should either party to this Agreement serve such notice upon the other party, a joint conference of the Employer and the Union shall commence not later than forty-five (45) days before the expiration date or amendment date of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their duly authorized representative as of the day and year first written.


CITY OF STERLING HEIGHTS

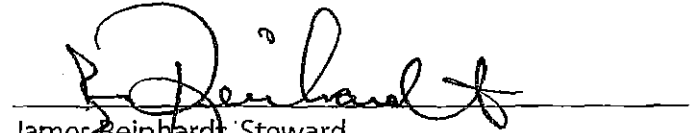
DEPARTMENT OF PUBLIC WORKS
SUPERVISORS UNIT (AFSCME LOCAL 1917)


Richard J. Notte, Mayor


Brenda Adams-White, Staff Representative


Walter C. Blessed, City Clerk


Ted Boehmer, Chairman


James Reinhardt, Steward


James Bolen, Secretary-Treasurer

Dated: 7/16/2008

DPW SUPERVISORS

Appendix A

Effective July 1, 2007
2.75%

POSITION	A	B	C	D	E	F	G
<u>Operations Manager</u>							
Annual	62,944	65,979	69,164	72,560	76,028	79,828	83,021
Hourly	30.262	31.721	33.252	34.885	36.552	38.379	39.914
Bi-Weekly	2420.96	2537.68	2660.16	2790.80	2924.16	3070.32	3193.12
<u>General Supervisor</u>							
Annual	58,281	61,091	64,032	67,123	70,366	73,885	76,841
Hourly	28.020	29.371	30.785	32.271	33.830	35.522	36.943
Bi-Weekly	2241.60	2349.68	2462.80	2581.68	2706.40	2841.76	2955.44
<u>Division Supervisor</u>							
Annual	55,577	58,258	61,050	63,997	67,090	70,443	73,261
Hourly	26.720	28.009	29.351	30.768	32.255	33.867	35.222
Bi-Weekly	2137.60	2240.72	2348.08	2461.44	2580.40	2709.36	2817.76

DPW SUPERVISORS

Appendix A

Effective July 1, 2008
3%

POSITION	A	B	C	D	E	F	G
<u>Operations Manager</u>							
Annual	64,833	67,959	71,240	74,738	78,309	82,222	85,510
Hourly	31.170	32.673	34.250	35.932	37.649	39.530	41.111
Bi-Weekly	2493.60	2613.84	2740.00	2874.56	3011.92	3162.40	3288.88
<u>General Supervisor</u>							
Annual	60,030	62,924	65,954	69,137	72,477	76,103	79,146
Hourly	28.861	30.252	31.709	33.239	34.845	36.588	38.051
Bi-Weekly	2308.88	2420.16	2536.72	2659.12	2787.60	2927.04	3044.08
<u>Division Supervisor</u>							
Annual	57,245	60,005	62,882	65,917	69,103	72,556	75,460
Hourly	27.522	28.849	30.232	31.691	33.223	34.883	36.279
Bi-Weekly	2201.76	2307.92	2418.56	2535.28	2657.84	2790.64	2902.32

DPW SUPERVISORS

Appendix A

Effective July 1, 2009

3%

POSITION	A	B	C	D	E	F	G
Operations Manager							
Annual	66,778	69,998	73,378	76,980	80,658	84,689	88,075
Hourly	32.105	33.653	35.278	37.010	38.778	40.716	42.344
Bi-Weekly	2568.40	2692.24	2822.24	2960.80	3102.24	3257.28	3387.52
General Supervisor							
Annual	61,832	64,812	67,932	71,210	74,651	78,386	81,521
Hourly	29.727	31.160	32.660	34.236	35.890	37.686	39.193
Bi-Weekly	2378.16	2492.80	2612.80	2738.88	2871.20	3014.88	3135.44
Division Supervisor							
Annual	58,963	61,805	64,769	67,895	71,177	74,732	77,723
Hourly	28.348	29.714	31.139	32.642	34.220	35.929	37.367
Bi-Weekly	2267.84	2377.12	2491.12	2611.36	2737.60	2874.32	2989.36

DPW SUPERVISORS

Appendix A

Effective July 1, 2010

3%

POSITION	A	B	C	D	E	F	G
Operations Manager							
Annual	68,781	72,099	75,578	79,289	83,077	87,228	90,717
Hourly	33.068	34.663	36.336	38.120	39.941	41.937	43.614
Bi-Weekly	2645.44	2773.04	2906.88	3049.60	3195.28	3354.96	3489.12
General Supervisor							
Annual	63,687	66,757	69,971	73,347	76,891	80,739	83,967
Hourly	30.619	32.095	33.640	35.263	36.967	38.817	40.369
Bi-Weekly	2449.52	2567.60	2691.20	2821.04	2957.36	3105.36	3229.52
Division Supervisor							
Annual	60,731	63,658	66,711	69,931	73,313	76,974	80,055
Hourly	29.198	30.605	32.073	33.621	35.247	37.007	38.488
Bi-Weekly	2335.84	2448.40	2565.84	2689.68	2819.76	2960.56	3079.04

DPW SUPERVISORS

Effective July 1, 2011

3%

POSITION	A	B	C	D	E	F	G
<u>Operations Manager</u>							
Annual -	70,844	74,262	77,846	81,669	85,569	89,845	93,437
Hourly	34.060	35.703	37.426	39.264	41.139	43.195	44.922
Bi-Weekly	2724.80	2856.24	2994.08	3141.12	3291.12	3455.60	3593.76
<u>General Supervisor</u>							
Annual	65,599	68,760	72,069	75,547	79,198	83,162	86,486
Hourly	31.538	33.058	34.649	36.321	38.076	39.982	41.580
Bi-Weekly	2523.04	2644.64	2771.92	2905.68	3046.08	3198.56	3326.40
<u>Division Supervisor</u>							
Annual	62,553	65,567	68,712	72,030	75,512	79,283	82,457
Hourly	30.074	31.523	33.035	34.630	36.304	38.117	39.643
Bi-Weekly	2405.92	2521.84	2642.80	2770.40	2904.32	3049.36	3171.44

APPENDIX B

Disability Insurance

Short Term Disability Income for Accident or Sickness

Short Term Disability Income Benefit	60 percent
Elimination (Waiting) Period	1 day accident 7 days illness
Maximum Duration	26 weeks

Long Term Disability Income Benefit

Long Term Disability Income Benefit	60 percent
Elimination (Waiting) Period	180 days
Maximum Duration	sickness to age 65 accident to age 65

APPENDIX C

Blue Cross/Blue Shield or Comparable Dental Plan

Coverage Description and Limits

The Blue Cross/Blue Shield of Michigan Dental Plan (or comparable plan) will pay reasonable charges for covered expenses with no deductible.

- Class I: Diagnostic services, preventive services, and palliative treatment are covered at 75 percent of reasonable charges.
- Class II: Restorative, endodontic, periodontic services, oral surgery, repairs, adjustments and relining of dentures and bridges and adjunctive general services are covered at 75 percent of reasonable charges.
- Class III: Construction and replacement of dentures and bridges are covered at 75 percent of reasonable charges.
- Class IV: Orthodontic services are covered at 50 percent of reasonable charges.

Each member is entitled to maximum benefits of \$1,000 every contract year.

Each member (up to age 19) has a lifetime maximum of \$2,000 available for orthodontic services.

APPENDIX D

The order for call in is as follows:

- FIRST: Division Supervisor with respect to an emergency in his or her particular division.
- SECOND: General Supervisor with respect to an emergency in his or her particular divisions.
- THIRD: The remaining General Supervisor.
- FOURTH: Remaining Division Supervisors by seniority.
- FIFTH: Operations Manager.

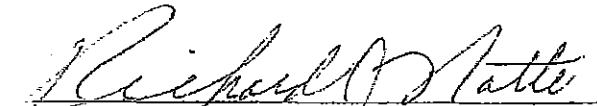
APPENDIX E


MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF STERLING HEIGHTS (CITY)
AND
DPW SUPERVISORY UNION (BARGAINING UNIT)

It is hereby understood and agreed to by the City and Bargaining Unit that during the term July 1, 2007 – June 30, 2012, if any other general city employee bargaining unit receives a health care plan and/or prescription drug benefit superior to the plans provided under the terms of this Agreement, the employees of this Bargaining Unit shall receive the same enhanced health care plan and prescription drug benefit.


CITY OF STERLING HEIGHTS


DEPARTMENT OF PUBLIC WORKS
SUPERVISORS UNIT (AFSCME LOCAL 1917)


Richard J. Notte, Mayor


Brenda Adams-White, Staff Representative


Walter C. Blessed, City Clerk


Ted Boehmer, Chairman


James Reinhardt, Steward

Dated: 7/16/2008


James Bolen, Secretary-Treasurer

Community BlueSM PPO

Benefits-at-a-Glance

Plan 10

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

Preventive Care Services - *Payment for preventive services is limited to a combined maximum of \$500 per member per calendar year

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%* • 6 visits, birth through 12 months • 6 visits, 13 months through 23 months • 2 visits, 24 months through 35 months • 2 visits, 36 months through 47 months • 1 visit per birth year, 48 months through age 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 - 90% after deductible	Covered - 60% after deductible
One per calendar year, no age restrictions		

Physician Office Services

Office Visits	Covered - \$10 copay	Covered - 60% after deductible, must be medically necessary
Outpatient and Home Visits	Covered - 90% after deductible	Covered - 60% after deductible, must be medically necessary
Office Consultations	Covered - \$10 copay	Covered - 60% after deductible, must be medically necessary
Urgent Care Visits	Covered - \$10 copay	Covered - 60% 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 - 90% after deductible	Covered - 90% after deductible

Diagnostic Services

Laboratory and Pathology Services	Covered - 90% after deductible	Covered - 60% after deductible
Diagnostic Tests and X-rays	Covered - 90% after deductible	Covered - 60% after deductible
Therapeutic Radiology	Covered - 90% after deductible	Covered - 60% after deductible

Maternity Services Provided by a Physician

Prenatal and Postnatal Care	Covered - 100%	Covered - 60% after deductible
Includes care provided by a certified nurse midwife		
Delivery and Nursery Care	Covered - 90% after deductible	Covered - 60% after deductible
Includes delivery provided by a certified nurse midwife		

Hospital Care

Semiprivate Room, Inpatient Physician Care, General Nursing Care, Hospital Services and Supplies Note: Nonemergency services must be rendered in a participating hospital	Covered - 90% after deductible	Covered - 60% after deductible
Unlimited days		
Inpatient Consultations	Covered - 90% after deductible	Covered - 60% after deductible
Chemotherapy	Covered - 90% after deductible	Covered - 60% after deductible

Alternatives to Hospital Care

Skilled Nursing Care	Covered - 90% after deductible	Covered - 90% 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 - 90% after deductible	Covered - 90% after deductible
Unlimited visits		

In-Network

Out-of-Network

Surgical Services

Surgery - includes related surgical services	Covered - 90% after deductible	Covered - 60% after deductible
Voluntary Sterilization	Covered - 90% 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 - 90% after deductible	Covered - 60% after deductible
Kidney, Cornea and Skin	Covered - 90% 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 - 90% after deductible	Covered - 60% after deductible
Allergy Testing and Therapy	Covered - 100%	Covered - 60% after deductible
Chiropractic Spinal Manipulation	Covered - 100%	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 - 90% after deductible	Covered - 90% 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 - 90% after deductible	Covered - 90% after deductible
Prosthetic and Orthotic Appliances	Covered - 90% after deductible	Covered - 90% after deductible
Private Duty Nursing	Covered - 50% after deductible	Covered - 50% after deductible
Prescription Drugs	Not covered	Not covered

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	\$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.
Copays • Fixed Dollar Copays • Percent Copays	\$10 for office visits and \$50 for emergency room visits	\$50 for emergency room visits
	10% for general services, waived if service is performed in a PPO physician's office, and 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.
Copay Dollar Maximums • Fixed Dollar Copays • Percent Copays - excludes mental health care, substance abuse treatment and private duty nursing copays	None	None
	\$500 per member, \$1,000 family per calendar year	\$4,000 per member, \$8,000 family per calendar year Note: Out-of-network copays also apply toward the in-network maximum.
Dollar Maximums	\$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

Rider CB-CSR, Cost Sharing Requirements	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.
Rider CBC-MT, Copay Requirement for Manipulative Treatment	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.
Rider CB-OV\$20, Office Visit Copay Requirement	Increases fixed dollar copay amount from \$10 to \$20.
Rider CB-OV\$30, Office Visit Copay Requirement	Increases fixed dollar copay amount from \$10 to \$30.
Rider CI, Contraceptive Injections, Rider PCD, Prescription Contraceptive Devices and Rider PD-CM, Prescription Contraceptive Medications	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 a "package" with prescription drug coverage.
Rider XVA, Excludes Voluntary Abortions	Excludes benefits for voluntary abortions.

NEW HIRES



Appendix G
An Independent Member of the Blue Cross and Blue Shield Association

Community BlueSM PPO Benefits-at-a-Glance for City of Sterling Heights Plan 7

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 – 90% after deductible	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 – 90% after deductible	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 – approved diagnosis	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 – 90% after deductible	Covered – 90% after deductible

Diagnostic Services

Laboratory and Pathology Tests	Covered – 90% after deductible	Covered – 80% after deductible
Diagnostic Tests and X-rays	Covered – 90% after deductible	Covered – 80% after deductible
Radiation Therapy	Covered – 90% after deductible	Covered – 80% after deductible

Maternity Services Provided by a Physician

Pre-Natal and Post-Natal Care	Covered – 100%, includes delivery care by a Certified Nurse Midwife	Covered – 80% after deductible, includes care provided by a Certified Nurse Midwife
Delivery and Nursery Care	Covered – 90% after deductible, includes delivery provided by a Certified Nurse Midwife	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 – 90% after deductible	Covered – 80% after deductible
	Unlimited days	
Inpatient Consultations	Covered – 90% after deductible	Covered – 80% after deductible
Chemotherapy	Covered – 90% after deductible	Covered – 80% after deductible

Alternatives to Hospital Care

Skilled Nursing Care	Covered – 90% after deductible	Covered – 90% after deductible
	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 – 90% after deductible	Covered – 90% after deductible
	Unlimited visits	

Surgical Services

Surgery – includes related surgical services	Covered – 90% after deductible	Covered – 80% after deductible
Voluntary Sterilization	Covered – 90% after deductible	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 -- 90% after deductible	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 -- 90% after deductible	Covered -- 80% after deductible
Kidney, Cornea and Skin	Covered -- 90% after deductible	Covered -- 80% after deductible

Mental Health Care and Substance Abuse Treatment

Inpatient Mental Health Care and Substance Abuse Care	Covered -- 50% after deductible	Covered -- 50% after deductible
	Unlimited days	
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 Care -- in approved facilities	Covered -- 50% after deductible	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 -- \$10 copay	Covered -- 80% 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 -- 90% after deductible	Covered -- 90% after deductible
	Covered -- 90% after deductible	Covered -- 80% after deductible
	Up to a combined maximum of 60 visits per calendar year	
Durable Medical Equipment	Covered -- 90% after deductible	Covered -- 90% after deductible
Prosthetic and Orbotic Appliances	Covered -- 90% after deductible	Covered -- 90% after deductible
Private Duty Nursing	Covered -- 50% after deductible	Covered -- 50% after deductible
Prescription Drugs	Not Covered	Not Covered

Deductible, Copays and Dollar Maximums

Deductible	\$500 per member, \$1,000 family per calendar year Note: Deductible waived if service is performed in a PPO physician's office.	\$1,000 per member, \$2,000 family per calendar year Note: Out-of-network deductible amounts also apply toward the in-network deductible.
Copays • Fixed Dollar Copays • Percent Copays	\$10 for office visits and \$50 for emergency room visits 10% for general services, waived if service is performed in a PPO physician's office, and 50% for mental health care, substance abuse care and private duty nursing *	\$50 for emergency room visits 20% for general services and 50% for mental health care, substance abuse care and private duty nursing * Note: Services without a network are covered at the in-network level.
Copay Dollar Maximums • Fixed Dollar Copays • Percent Copays -- excludes mental health care, substance abuse care and private duty nursing copays	None \$1,000 per member, \$2,000 family per calendar year	None \$2,000 per member, \$4,000 family per calendar year Note: Out-of-network copays also apply toward the in-network maximum.
Dollar Maximums	\$5 million lifetime per member for all covered services and as noted above for individual services	

* 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.

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.