

**FRENCHTOWN CHARTER TOWNSHIP RETIREE
HEALTH AND DENTAL PLAN ORDINANCE
Ord. No. 169; Date of Adoption: June 1994**

An Ordinance to establish procedures for continuation of medical and dental insurance for eligible retired employees and retired Board Members and to repeal all ordinances or parts of ordinances in conflict herewith.

THE CHARTER TOWNSHIP OF FRENCHTOWN HEREBY ORDAINS:

Section 1. Title.

This Ordinance shall be known as the Frenchtown Charter Township Retiree Health and Dental Plan Ordinance.

Section 2. Continuation of Specified Benefits For Eligible Retired Employees.

Upon termination of service or termination of employment from Frenchtown Charter Township, retired board members and retired union or non-union employees who qualify as set forth in Section 3 of this Ordinance shall be eligible for continued medical and/or dental insurance benefits but only to the extent that such benefits are then in effect, or are subsequently amended, for then, and subsequent, Frenchtown Charter Township employees and board members. These benefits shall be offered to qualified retired employees and board members on the same terms and conditions that would have been in effect if the employment relationship were not terminated, including required contributions on the part of participants. These benefits shall be offered only to those employees and board members whose employment or term of office terminates on or after the effective date of this Ordinance, subject to the terms and conditions set forth in this Ordinance.

Amended by Ordinance Amendment No. 169-4, July 11, 2006.

Section 3. Basic Eligibility Requirements.

In order to be eligible for continued health insurance and dental insurance, the retired employee or Board Member must meet all of the requirements of either A or B:

- A1. Must have accumulated seventy (70) points, as of the date that his or her term of office or employment terminates, based upon the following formula: one point shall be allocated for each year of service as a Board Member or employment as a union or non-union employee working thirty (30) or more hours per week and one point shall be allocated for each year of age of the employee Board Member. Years of service or employment shall be measured from the date the Board Member first commences service or the date the employee first commences employment and each anniversary thereof.

2. Have at least twelve (12) years of continuous and uninterrupted service as a Board Member, or
 3. Have at least twelve (12) years of continuous and uninterrupted employment with Township as a union or non-union employee working thirty (30) or more hours per week at the time of termination of service of employment.
 4. Retirement or termination of employment or service on or before November 30th, 2008 or meets requirements of Section 3A as of November 30, 2008 and opts to continue in employment or service of Township.
- B.1 Must have accumulated seventy (70) points, as of the date that his or her term of office or employment terminates, based upon the following formula: one point shall be allocated for each year of service as a Board Member or employment as a union or non-union employee working thirty (30) or more hours per week and one point shall be allocated for each year of age of the employee Board Member. Years of service or employment shall be measured from the date the Board Member first commences service or the date the employee first commences employment and each anniversary thereof. With regard to an employee with 20 years of non-continuous service or employment with the Township, years of age shall be measured by the actual age of the employee at the date employment or service last terminates less the number of years that the employee was not in the employ of the Township following the employee's first period of service or employment with the Township.
2. Have a total of at least twenty (20) years, of service as a Board Member or employment with the Township as a union or non-union employee working thirty (30) or more hours per week which is not required to be continuous and may be prior to or subsequent to the effective date of the Ordinance, and
 3. Have at least four years of continuous and uninterrupted service subsequent to the enactment of Ordinance 169, at time of termination of employment or service, and
 4. Must be eligible to receive benefits offered under this Ordinance on the last day of his or her employment or term of office with the Township.
 5. Retirement or termination of employment or service on or after December 1st, 2008.

Amended by Ordinance 169-2, June 13, 2000.

Amended by Ordinance Amendment No. 169-4, July 11, 2006.

Amended by Ordinance No. 169-5, November 13, 2007.

Section 4. Persons Eligible.

1. The benefits offered to retired employees or Board Members under this Ordinance shall be offered only to the following individuals:

- A. Retired Supervisors, Treasurers and Clerks
 - B. Retired non-union employees
 - C. Retired Trustees who held office with the Township on or before December 31, 1999
 - D. Retired full-time employees of the Frenchtown Charter Township Fire Department who are entitled to benefits pursuant to the Collective Bargaining Agreement between Frenchtown Charter Township and Local 3233 of the International Association of Firefighters.
 - E. Spouses of retired Supervisors, Treasurers and Clerks
 - F. Spouses of retired non-union employees
 - G. Spouses of retired Trustees who were in office on or before December 31, 1999.
 - H. Spouses of full-time employees of the Frenchtown Charter Township Fire Department who are entitled to benefits pursuant to the Collective Bargaining Agreement between Frenchtown Charter Township and Local 3233 of the International Association of Firefighters.
2. Coverage for the spouse of a retired Supervisor, Treasurer, Clerk, union or non-union employee or Trustee who was in office on or before December 31, 1999, shall cease upon divorce from eligible person. Further, if the spouse of the said deceased retired Supervisor, Treasurer, Clerk, union or non-union employee or Trustee who was in office on or before December 31, 1999, remarries, benefits shall not extend to other members of the surviving spouse's family.

Amended by Ordinance No. 169-2, June 13, 2000.

Amended by Ordinance Amendment 169-4, July 11, 2006.

Section 5. Exceptions.

- A. Benefits shall not be available under this Ordinance:
 - 1. Prior to the first day of the month coinciding with or next following the date the retired board member or employee attains, or, in the case of the spouse of a deceased retired board member or employee, would have attained, age fifty-five (55); provided, however, that, if permitted by the insurance carrier providing the medical and/or dental insurance coverage to the Township, the retired board member or employee or spouse of a retired board member or employee otherwise eligible for benefits, may elect to obtain such medical and/or dental insurance from the Township provider prior to the date the retired board member or employee attains, or would have attained, age 55 by payment of the entire premium therefore, If the individual eligible for benefits except for reason of age does not elect to obtain coverage continuously from the time of termination of employment until obtaining the age of 55 from the Township's insurer at his/her expense, then that individual shall be declared thereafter ineligible for any benefits offered under this Ordinance.

2. On behalf of any individual who has substantially similar health coverage otherwise provided, or available, to them as may be determined from time to time by the Retiree Eligibility Committee. Health coverage shall be deemed to be available if health insurance benefits are offered by an employer or are available and offered to persons in the individual's same employee classification or level of employment. In the event that such health insurance is offered or available to an individual and the individual elects to opt out or to not accept the benefits available to them, the individual shall not thereafter be eligible for benefits under this Ordinance.

Amended by Ordinance No. 169-1, April 9, 1996.

Amended by Ordinance No. 169-5, November 13, 2007.

- B. An individual who is ineligible for benefits solely because of the provisions of Section 5(A)(2) of this Ordinance may become eligible for benefits when the substantially similar health coverage is no longer provided and available, upon compliance with the following conditions:
 1. The individual must continuously remain on the Frenchtown Charter Township health and dental insurance policies from retirement to the time when substantially similar health coverage is no longer provided and available.
 2. The individual must pay all insurance premiums charged to and paid by the Township as a result of the individual remaining on the Township's health and dental insurance policies.

Amended by Ordinance No. 169-1, April 9, 1996.

Section 6. Retiree Eligibility Committee.

There is hereby created a "Retiree Eligibility Committee", which shall consist of three members of the Township Board. The Committee members shall be appointed annually by the Township Board, upon recommendation by the Township Supervisor. Each Committee member's term shall commence on January 1 and expire on December 31 of the same calendar year. The Committee's purpose shall be to review and decide whether an individual is entitled to benefits under this Ordinance, including but not limited to determinations whether "substantially similar health coverage" is available to an individual otherwise eligible for benefits under this Ordinance. The Committee shall also periodically adjust the applicable premium cost as set forth in Section 5(2).

Section 7. Supplemental to Medicare Coverage.

If an individual eligible to receive benefits under this Ordinance is also eligible to receive Medicare benefits, the medical coverage available under this Ordinance shall only be supplemental to such Medicare coverage.

Section 8. Waiver of Benefits Program Inapplicable.

Retired employees and retired board members who are eligible for benefits under this Ordinance may not participate or otherwise benefit from any "Waiver of Benefits" program providing cash in lieu of health coverage now or hereafter in effect for Frenchtown Charter Township employees or Board members.

Section 9. Reservation of Right to Amend and/or Terminate.

Frenchtown Charter Township reserves the right to amend and/or terminate this plan and the benefits offered pursuant to this Ordinance at any time. This Ordinance and the Plan shall not create any right on the part of any current or future

1. Union or Non-Union Employee;
2. Board Member;
3. Retiree;
4. Spouse or retired spouse of any employee, Board Member or Retiree

to have the benefits contemplated hereunder continued.

Notice of the proposed amendment and/or termination of the Plan and/or the benefits offered pursuant to this Ordinance shall be provided to each insured by certified mail return receipt requested. Such notice shall be provided to the last known address of the insured, no less than 10 days prior to action by the Board as to the proposed amendment and/or termination of the Plan or the benefits offered.

Amended by Ord. No. 169-3, November 12, 2002.

Amended by Ordinance No. 169-4, July 11, 2006.

Section 10. Repeal of Conflicting Ordinances.

All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 11. Effective Date.

This Ordinance shall take effect immediately after passage and publication in the Monroe Guardian a newspaper having general circulation in the Charter Township of Frenchtown, County of Monroe.

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