

**AGREEMENT BETWEEN**  
**THE TOWNSHIP OF LOWER**  
**COUNTY OF CAPE MAY, STATE OF NEW JERSEY**  
**AND**  
**THE LOWER TOWNSHIP SUPERVISORS UNION**  
**JANUARY 1, 2016 THROUGH DECEMBER 31, 2019**

TABLE OF CONTENTS

<u>ARTICLE</u>	<u>PAGE</u>
PREAMBLE	4
ARTICLE I - RECOGNITION	5
ARTICLE II - CHECK OFF	6
ARTICLE III - SUPERVISORS	7
ARTICLE IV - VACATION	8
ARTICLE V - HOLIDAYS	10
ARTICLE VI - INSURANCE, HEALTH & WELFARE	12
ARTICLE VII - LEAVES OF ABSENCE	16
ARTICLE VIII - GRIEVANCE PROCEDURE	19
ARTICLE IX - SICK LEAVE AND RETIREMENT	21
ARTICLE X - WORK WEEK	24
ARTICLE XI - WAGES	25
ARTICLE XII - LONGEVITY	27
ARTICLE XIII - CALL IN TIME	28
ARTICLE XIV - UNIFORMS/EQUIPMENT ALLOWANCES	29
ARTICLE XV - WORKER'S COMPENSATION	30
ARTICLE XVI - GENERAL PROVISIONS	31
ARTICLE XVII - SUPERVISOR'S BUSINESS	32
ARTICLE XVIII - EQUAL TREATMENT	33
ARTICLE XIX - SEPERABILITY AND SAVINGS	34



TABLE OF CONTENTS

<u>ARTICLE</u>	<u>PAGE</u>
ARTICLE XX – MANAGEMENT RIGHTS	35
ARTICLE XXI – TERM AND RENEWAL	36



PREAMBLE

This Agreement entered onto this 26 day of August 2016, by and between the Township of Lower, in the County of Cape May, New Jersey, a Municipal Corporation of the State of New Jersey, (hereinafter called the "Township" or "Employer") and the Lower Township Supervisors, (hereinafter called the "Supervisors") represents the complete and final understanding on all bargainable issues between the Township and the Supervisors.



**ARTICLE I - RECOGNITION**

The Employer recognizes the Supervisors as the Bargaining Agent for the purpose of establishing salaries, wages, hours and other conditions of employment for all of its employees in the classifications listed in Article XI, which is part of this Agreement.

A handwritten signature in the bottom right corner of the page, consisting of a stylized name and a horizontal line underneath.

**ARTICLE II - CHECK OFF**

- A. The Township agrees to deduct from the salaries of its employees, subject to this Agreement, dues for Supervisors of Lower Township. Such deductions shall be made in compliance with Chapter 123, Public Laws of 1974, (N.J.S.A. (R.S.) 52:14-15.9e, as amended), and member shall be eligible to withdraw such authority during July of each year.
- B. A check off shall commence for each employee who signs a properly date authorization card supplied by the Supervisors and verified by the Treasurer of the Council during the month following the filing of such card with the Township.
- C. The aggregate deductions from all employees shall be remitted to the Treasurer of the Council together with the list of names of all employees for whom the deductions were made by the 15<sup>th</sup> day of the succeeding month after such deductions were made.
- D. If during the life of this Agreement, there shall be any change in the rate of membership dues, the Local Supervisors shall furnish the Township written notice thirty (30) days prior to the effective date of such change and shall furnish to the Township an official notification heading Lower Township Supervisors advising of such changed deduction.
- E. The Supervisors will provide the necessary "check off" authorization for and the Supervisors will secure the signatures of its members on the forms and deliver the signed forms to the Township Treasurer.

### ARTICLE III - SUPERVISORS

- A. The Township agrees to deduct the fair share from their earnings of those employees who elect not to become members of the Supervisors and transmit the fee to the majority representative.
- B. The deductions shall commence for each employee who elects not to become a member of the Supervisors during the month following written notice from the Supervisors of the amount of the fair share assessment.
- C. The fair share fee for services rendered by the Supervisors shall be in an amount equal to the regular membership dues, initiation fees, and assessments of the Supervisors, less the cost of benefits financed through the dues and available only to Members of the Supervisors, but in no event shall the fee exceed 85 percent of the regular membership dues, fees and assessments.
- D. The sum representing the fair share fee shall not reflect the costs of financial support of political causes of candidates, except to the extent that it is necessary for the Supervisors to engage in lobbying activity designed to foster its policy goals in collective negotiations and contract administration, and to secure the employees it represents advances in wages, hours, and other conditions of employment which ordinarily cannot be secured through collective negotiations with the Township.
- E. The Supervisors shall establish and maintain a procedure whereby any individual paying the agency fee can challenge the assessment as computed by the Supervisors. This appeal procedure shall in no way involve the Township to take any action.
- F. The Supervisors shall indemnify, defend and save the Township harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken by the Township in reliance upon salary deduction authorization cards submitted by the Supervisors to the Township or due to any agency fees deducted by the Township.



**ARTICLE IV – VACATION**

A. Annual vacation shall be granted as follows:

For Bargaining Unit Members employed by the Township on or before 1/1/2012 or promoted to a position which requires Bargaining Unit membership:

Up to first year of working service	1 day per month worked
After 1 year and up to 5 years	13 working days
After 5 years and up to 10 years	16 working days
After 10 years and up to 15 years	20 working days
After 15 years	25 working days

For New Employees hired (not promoted to bargaining unit membership) after 1/1/2012:

Up to 1 <sup>st</sup> year of working service	1 working day per month
After 1 year and up to 10 years	12 working days
After 10 <sup>th</sup> year and up to 20 years	15 working days
After 20 years	20 working days

Vacations shall be scheduled only with the approval of the Manager. The Township reserves the right to refuse vacation requests if administrative pressures so require.

- B. Any vacation leave accruing in any calendar year after 1985 which is unused by an employee within that calendar year may be used within the following calendar year, but it shall not be accumulated thereafter, unless the workload of the department/division prevents the employee from taking such leave. If this occurs, the employee shall obtain a letter signed by the Manager and have one placed in his/her personnel file authorizing this accumulation of unused vacation leave.
- C. Upon regular retirement or resignation in good standing, an employee will receive remuneration for unused vacation time from the current year and preceding year of the employee's retirement or resignation in good standing. Resignation in good standing is written notice at least 14 days in advance, and employee will be working or on approved leave in order to receive unused vacation pay which has accumulated in the year of retirement or resignation, prorated in accordance with Paragraph E below, and the immediately preceding calendar year.
- D. Vacation leave entitlements for the entire year shall be credited to the employee at the beginning of each calendar year in anticipation of



continued employment for the full year. In the event the employee terminates employment, takes a leave of absence, or has any other changes in status where such leave is not earned for a portion of the year, the employer shall recover the prorated value of vacation leave, and if the employee utilizes more than is earned, he shall be required to reimburse the employer for the value for the used, but unearned, leave. For the purpose hereof, the prorated value of the vacation leave shall be determined by i) dividing the number fifty-two (52) by the number of full weeks in such year as of the date of such termination of employment, leave or change in status, then ii) multiplying such fraction by the total number of vacation days credited at the beginning of such year, and then iii) subtracting the vacation days used in such year.

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**ARTICLE V - HOLIDAYS**

A. 1. All Township employees shall be entitled to the following holidays or the day observed as such by the Township:

- \*Christmas
- \*Thanksgiving Day  
Day After Thanksgiving
- \*Fourth of July  
Lincoln's Birthday
- \*President's Day (Washington's Birthday)
- \*Memorial Day
- \*New Year's Day
- \*Labor Day
- \*Columbus Day
- \*Veteran's Day  
Election Day  
Good Friday
- \* Martin Luther King's Birthday

\*Denotes federal holidays.

2. In the event that any Township employee is required to work on one of the above-designated holidays, he/she shall be compensated at one and one-half (1½) times the employees regular rate of pay, to be paid as part of their regular salary.

3. In addition to the enumerated holidays, all members of this union shall be entitled to four (4) personal leave days, to be requested seventy-two hours prior to the desired time off if possible, except in the case of an emergency. Personal leave entitlements for the entire year shall be credited to the employee at the beginning of each calendar year in anticipation of continued employment for the full year. In the event the employee terminates employment, takes a leave of absence, or has any other change in status where such leave is not earned for a portion of the year, the employer shall recover the prorated value of personal leave, and if the employee utilizes more leave than is earned, he shall be required to reimburse the employer for the value of the used, but unearned leave. For the purpose hereof, the prorated value of the personal leave shall be determined by i) dividing the number fifty-two (52) by the number of full weeks in such years as of the date of such termination of employment, leave or change in status, then ii) multiplying such fraction by the total number of personal days credited at the beginning of such year, and then iii) subtracting the personal days used in such year.

B. Whenever Township Hall is closed either due to severe weather conditions, or to the declaration by the Township of a Holiday other than those listed under Paragraph A.1 of this Article, any employees who are required to work shall be

granted an equal amount of compensatory time off taken within that calendar year. This section is applicable whenever employees are not charged for the day of (vacation, etc.) because of severe weather closing.

C. Lincoln's Birthday shall be removed from the list of Holidays under Paragraph A above when said Holiday is removed from the collective bargaining agreement governing the employees supervised by the individual Supervisor in this unit. Should Lincoln's Birthday be removed in accordance with this Paragraph, the effected Supervisor will receive an additional personal day.



**ARTICLE VI - INSURANCE, HEALTH & WELFARE**

A. The Township shall provide the following health benefits for all full-time permanent and provisional employees working thirty (30) hours per week or more, and their dependents, starting at the beginning of the third full calendar month of employment.

1. Major medical benefits will be provided in accordance with State Health Benefits NJ Direct 15. Attached as Exhibit A.
2. The Township will provide a prescription plan, in accordance with Local Active Prescription Plan 10/15. Attached as Exhibit B.
3. Dental plan with payment limitations as follows:

Preventative Maintenance , etc.	100%
Diagnostic and Restorative Treatment	85%
Endodontics and Periodontics	85%
Prosthodontics (Fixed and removable)	85%
Orthodontics	85%

Maximum Benefit: \$1,500 per person per calendar year.  
\$3,150 lifetime maximum per person for orthodontic service.

4. A Vision Care Plan - Eye Exam Annually  
New lenses, frames, and or contacts once every twenty-four (24) months as follows:  
(subject to arbitrator's decision attached)

Vision Analysis	\$145
Single Vision Lenses	\$135
Bifocal Lenses	\$150
Multi-focal Lenses	\$165
Contact Lenses	\$175
Frames	\$150

5. These benefits, in their amended form, will start on the date of this Agreement, and shall continue for the life of the term of this Agreement.

B. The Township shall provide the following health benefit coverage for retired employees up to sixty-five (65) years of age;

1. Eligibility

- a. Employee retires at age sixty-two (62) or older with at least fifteen (15) years of service with the Township.
- b. Employee retires before age sixty-two (62) with at least twenty-five (25) years of service with the Township.
- c. Coverage is for retired employee and those dependents at time of retirement, but only for as long as they remain dependents. Subsequent marriage will not make a new spouse and dependents eligible.

2. Benefits

- a. Basic medical and major medical as described under Subparagraph A.1 of this Article.
- b. Prescription drug plan as described under Subparagraph A.2 of this Article.

3. Coordination of Benefits

If the retired employee takes a job with an employer who provides health benefits, he/she must obtain primary coverage thereunder, and the Township will be the secondary insurer. The same applies, if the retired employee's spouse has or takes another job, which provides health benefits, with employed spouse's benefit primary.

C. The Township shall provide the following health benefits coverage for retired employees who have reached the age of sixty-five (65):

1. Eligibility

- a. Employee retired at age sixty-two (62) or older with at least fifteen (15) years continuous service with the Township at the time of retirement.
- b. Employee retired with at least twenty-five (25) years of service with the Township, not necessarily continuous at the time of retirement.

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- c. Employee retired at age sixty-five (65) or older but with less than fifteen (15) years of service with the Township, shall be allowed to participate in any Township group plans for supplemental Medicare Insurance, (if the Township provides one) and prescription program as long as the employee pays the premiums.
  - d. Coverage is for retired employee and spouse, both of who have reached sixty-five (65). When one employee or spouse reaches sixty-five (65), the other will continue to receive coverage as described under Subparagraph B2 of this Article, until he/she also reaches sixty-five (65).
- 2. Benefits are limited to a maximum of \$1,200.00 for retired employee and spouse, to assist in the purchase of a Medicare supplement health benefits program. Medicare Part B payments/deductions shall have been authorized by each. The Township reserves the right to purchase the supplement directly, or to reimburse the retired employee and/or spouse.
  - 3. If retired employee or spouse has or takes a job with an employer who provides health benefits, he and/or she must obtain primary coverage thereunder, and the Township will be the secondary insurer. Coordination of benefits will apply.
- D. To the extent that the Federal Social Security Medicare Program changes the eligible age limits for participation therein, then the age limit of sixty-five (65) for eligibility for Township health benefits upon retirement shall be adjusted accordingly, to match the Medicare eligibility requirements. For example, if the Medicare eligibility age were to be increased to 66 years (for specific individuals), then the Township's benefits under Paragraph B of this article would continue at age sixty-six (66), and the Township's benefits under Paragraph C of this Article would start at age sixty-six (66), to coincide with the Medicare Terms and Conditions.
  - E. The Township retains the right, at its option, to change any of the existing insurance plans or carriers providing such benefits, so long as the level of benefits provided to the employees and their eligible dependents are greater than or equal to the current plan. Notwithstanding the foregoing, the Township retains the exclusive right to return to the New Jersey State Health Benefit Plan so long as it provides employees with the coverage available under the State Health Benefits Plan that is substantially similar to the employee's current coverage. The Township further reserves the right, at its option, to self-insure any of said plans and coverages so long as the level of benefits provided to the employees and their eligible dependents is equal to or better than. In the event the Township changes any of the existing insurance plans or carriers providing such benefits,

the Township will give the Supervisors thirty (30) days notice prior to implementing the new Plan or carrier.

- F. When both husband and wife are Township employees, family coverage will be provided under only one contract, with the supplemental benefit of 100% coverage for vision and dental, and 100% reimbursement of in and out -of network deductibles and co-payments. When an employee's spouse works for another employer with family health benefits, then the may opt out of health insurance provided by the Township. In such event, the Township shall compensate the employee at the rate of 25% or \$5,000.00, whatever is less, of the annual amount saved by the Township because of the employee's decision to opt out. Payment will be made in December of that year in lieu of enrolling the employee in the Township Plans. An employee who waives coverage shall be permitted to resume coverage under the same terms and conditions as apply to initial coverage if the employee ceases to be covered through his/her spouse for any reason, including, but not limited to, the retirement or death of the spouse, or divorce.
- G. The provisions of this Agreement do not affect the health benefits coverage's of employees who retired prior to the effective date of this same Agreement, all of which benefits are to be determined by prior contracts in effect at the time of retirement.
- H. The Township agrees to provide a free legal defense to any employee sued in his or her official capacity for any legal act committed within his/her authority as a Township employee.
- I. The Township shall provide a \$25,000.00 life insurance policy of the employee's life only, in addition to the insurance provided by the state pension plan.
- J. Cost Contribution: Bargaining unit members shall contribute to the costs of the Health Benefits Insurance Plan coverages. All bargaining unit members shall pay a portion of health care coverage costs consistent with P.L. 2011, c. 78 (hereinafter "Chapter 78"). In addition, all bargaining unit members who retire on or after June 28, 2011, shall contribute in accordance with P.L. 2011, c. 78 (hereinafter "Chapter 78").

#### **ARTICLE VII - LEAVE OF ABSENCE**

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A. Military Leave

Military Leave shall be provided consistent with applicable law.

B. Bereavement Leave

An employee shall be granted up to three (3) working days off with pay, for the purpose of bereavement leave for the loss of a family member from the date of the death up to and including the day after the funeral. The following is a list of those persons who qualify within the term "family member":

Mother	Grandparents
Father	Sister
Spouse	Brother
Children	Step Children
Father-in-law	Mother-in-law
Grandchildren	

"Family member" shall also include any relative of the employee or person that has been residing in the employee's household. Under no circumstances shall the provisions of this section result in an increase in any employee's normal earnings.

The forgoing list shall include Step-Mother, Step-Father, Step-Sister, Step-Brother, Half-Sister, Half-Brother, Bother-in-Law, Sister-in-Law, Son-in-Law, and Daughter-in-Law.

Employees shall receive one (1) day bereavement leave for the death of an Aunt or Uncle.

The Township may request documentation from the employee concerning proof of death and a signed statement as to the relationship of the employee to the deceased.

C. Unpaid Leave of Absence

1. Family/Medical Leave of Absence will be granted in accordance with the provisions of the Federal Family and Medical Leave Act ("FMLA") and under the New Jersey Family Leave Act ("NJFLA") and the regulations promulgated thereunder. Under the provisions of these statues, the employee is entitled to twelve (12) weeks of leave during a twelve (12) month period, which leave may be extended at the request of the employee, upon good cause shown, for up to an additional six (6) months, excluding the initial twelve (12) week period. The employee shall be entitled to leave for the employee's own serious health condition, or the need to care for a spouse, child or



parent with a serious health condition. In addition, the employee may take leave to care for a spouse, child or parent-in-law. The circumstance under which leave may be taken vary depending on the type of leave requested and the employer will grant leave in accordance with the provisions of each statute, the regulations issued for each statute, and judicial decisions interpreting the requirements of each statute. If the employee takes FMLA or NJFLA leave, the employee may, at the employee's option use accrued sick leave, a vacation and other administrative leave during the FMLA or NJFLA leave. The employer retains all rights to require proper certification from a health care provider pursuant to all applicable Laws. Any other leave of absence shall be granted in the sole and absolute discretion of the Township Manager and shall not be for a period in excess of six (6) months.

2. Any unpaid leave of absence granted because of illness or disability will not result in cessation of insurance, health and welfare benefits set forth in Article VI. The employee shall not earn any seniority during the period of such leave of absence, and there will be no additional accrual of vacation, sick and personal days during the period of such leave of absence.
3. As to any unpaid leave of absence granted for any reason other than illness or disability, the Township shall have sole discretion to determine if such leave will result in cessation of insurance, health and welfare benefits during such leave of absence. The employee shall not earn any seniority during the period of such leave of absence, and there will be no additional accrual of vacation, sick and personal days during the period of such leave of absence.
4. Unless otherwise specifically set forth in this Agreement to the contrary, all of the provisions of the New Jersey Department of Personnel Regulations concerning leaves of absence, as set forth in Title 4A of the New Jersey Administrative Code, Chapter 6, Subchapter 1, as applied to State service, shall apply to members of the Supervisors Union.
5. Before an employee goes on FMLA or NJFLA leave without pay, the employee shall be entitled to use all of the sick, vacation and personal days, which have been credited to the employee at the beginning of the year. The employee also acknowledges that sick, vacation and personal days are not earned during any FMLA or NJFLA leave or any other unpaid leave of absence. Accordingly, i) if an employee on such leave does not return o work, he shall reimburse the employer for the paid sick, vacation and personal days used in excess of his prorated entitlements as set forth in Article IV - Vacations, Article V - Holiday,

and Article XI – Sick Leave and Retirement of this Agreement, or ii) if an employee on such leave does not return to work, the sick, vacation and personal days to be credited in the future shall be reduced by such days used in excess of his prorated entitlements.

**ARTICLE VIII – GRIEVANCE PROCEDURE**

*C. D.*

A. Purpose

1. The purpose of this procedure is to secure, at the lowest possible level, an equitable solution to the problem which may arise affecting the terms and conditions of this Agreement and to resolve grievances as soon as possible so as to assure efficiency and promote employees morale. The parties agree that this procedure shall be kept as informal as may be appropriate.
2. Nothing contained herein shall be construed as limiting the right of any employee having a grievance to discuss the matter informally with his or her immediate supervisor.

B. Definition

The term "grievance" as used herein means as appeal by an individual employee or group of employees, from the interpretation, application or violation of this Agreement, policies and administrative decisions affecting them.

- C. The following constitutes the sole and exclusive method for resolving grievances between the parties covered by this Agreement, shall be followed in its entirety unless any step is waived by mutual consent.

1. STEP ONE

The aggrieved or the supervisor shall institute action under the provision hereof within ten (10) working days after the event giving rise to the grievance has occurred or knowledge thereof, and an earnest effort shall be made to settle the differences between aggrieved employee and the Manager for the purpose of resolving the matter informally. Failure to act within said ten (10) working days shall be deemed to constitute an abandonment of the grievance.

2. STEP TWO

If no agreement can be reached orally within ten (10) working days of the initial discussion with the Manager, employee or the supervisor may present the grievance in writing within ten (10) working days thereafter to the Township Council. The Council will answer the grievance in writing within ten (10) working days of receipt of the written grievance.

3. STEP THREE

If the grievance is not settled through the intervening steps, either party shall have the right to submit the dispute to Advisory Arbitration. The dispute shall be submitted pursuant to the rules and regulations of the Public Employment Relations Commission.

- D. Upon prior notice to an authorization of the Township Manager, the designated Supervisor's representative shall be permitted as members of the Grievance Committee to confer with employees and the Township on specific grievances in accordance with the grievance procedure set forth herein during work hours of employees, without loss of pay, provided the conduct of said business does not diminish the effectiveness of the Township or require the recall of off-duty employees.
- E. Agents of the Supervisors who are employees of the Township may be permitted to visit employees during work hours at their workstations for the purpose of discussing Supervisors representation matters, as long as such right is reasonably exercised and provided further that there is no undue interference with the Township work by such agents.
- F. The employer and the Supervisors further agree to give reasonable consideration to requests of either party for meeting to discuss grievances pending at any step.
- G. Employees are entitled to Supervisor representation at each and every step of the grievance procedure.
- H. If a decision is not rendered within the time limits prescribed for decision at any step in the grievance procedure, then the grievance shall be deemed to have been denied.

**ARTICLE IX – SICK LEAVE AND RETIREMENT**

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- A. All employees shall retain all pension rights under New Jersey Law and the Ordinance of the Township of Lower.
- B. Employees shall receive a sick leave credit of one (1) working day for each completed month of service during the remainder of the first calendar year of service. Thereafter, all permanent employees shall be entitled to sick leave on the basis of fifteen (15) days per year. The fifteen (15) days will be credited at the beginning of the year, and may be used at any time during the year. If an employee resigns, retires or is otherwise absent, the fifteen (15) days will be prorated, and if more has been used than earned, it must be repaid. Sick leave may be utilized by employees when they are unable to perform their work by reason of personal illness, accident, or exposure to contagious disease. Sick leave may be utilized for short periods because of death in the employee's immediately family and defined in Civil Service Regulations, (N.J.A.C. 4:1-17.15). Sick leave entitlements for the entire year shall be credited to the employee at the beginning of each calendar year in anticipation of continued employment for the full year. In the event the employee terminates employment, takes a leave of absence or has any other change in status where such leave is not earned, he shall reimburse the employer for the value of the used, but unearned leave. For the purpose hereof, the prorated value of the sick leave shall be determined by i) dividing the number fifty-two (52) by the number of full weeks in such years as of the date of such termination of employment, leave or change in status, then ii) multiplying such fraction by the total number of sick days credited at the beginning of such year, and then iii) subtracting the sick days used in such year.
- C. 1. For all employees hired prior to January 1, 1986, upon regular retirement, an employee will receive a terminal leave benefit based upon the cash value of accumulated unused sick leave to a maximum of one hundred eighty (180) days, at the employee's rate of salary at retirement.
2. For all employees hired after January 1, 1986, they shall be entitled, upon regular retirement, to compensation for 100% of unused sick leave, up to a maximum of one hundred twenty (120) days.
3. For all employees hired on or after January 1, 2002, the maximum terminal leave benefit will be \$12,000.00.
4. Employees with fifteen (15) years of service resigning in good standing shall receive compensation for 50% of unused sick leave subject to the restrictions of Subparagraphs C-1, C-2 and C-3 of this Article.
5. Each retiring employee shall notify the Township Treasurer of his intention to retire no later than December 1<sup>st</sup> of the year preceding the year in which the employee will retire.

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6. For the purposes of Subparagraphs C-1, C-2 and C-3 of this Article "regular retirement" shall mean wither of the following:

- a. Retirement at age sixty-two (62) or older with at least fifteen (15) years of continuous service with the Township at the time of retirement; or
  - b. Retirement at any age with at least twenty-five (25) years of service with the Township at the time of retirement, but not necessarily continuous.
- D. The Township, will at the employee's request, annually buy back five (5) days of unused sick leave in December of any year, from employees who have not used more than five (5) sick days that calendar year. For new employees hired on or after January 1, 2002, the Township may, at its option, but only upon the employee's request, annually buy back up to five (5) days of unused sick leave in January of any calendar year, provided that the employee has not used more than five (5) sick days in the preceding calendar year ending December 31. The purchased sick leave shall reduce the terminal benefit in days or hours due to the employee at the time of retirement pursuant to Paragraph C of this Article.
- E. The Township may require an employee who has been absent because of personal illness, as a condition of his return to duty be examined, at the expense of the Township, by a physician designated by the Township. Such examination shall establish whether the employee is capable of performing the essential functions of his/her job and that his/her return will not jeopardize the health or safety of the employee, other employees or of the public.
- F. All employees shall be entitled to accumulated sick leave days from year to year to be used if and when needed for such purpose.
- G. Verification of Sick Leave
1. An employee who shall be absent on sick leave for three (3) or more consecutive working days shall be required to submit acceptable medical evidence substantiating the illness.
    - (a) An employee who has been absent on sick leave for periods totaling ten (10) days in one calendar year consisting of periods of less than three (3) days, shall submit acceptable medical evidence for any additional sick leave in that year unless such illness is of a chronic or recurring nature requiring recurring absences of one (1) day or less in which case only one certificate shall be necessary for a period of six months.

(b) The appointing authority may require proof of illness of an employee on sick leave, whenever such requirement appears reasonable. Abuse of sick leave shall be cause for disciplinary action.

2. In case of leave of absence due to exposure to contagious disease, a certificate from the Department of Health shall be required.

**ARTICLE X - WORK WEEK**

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- A. The work week for Supervisors is determined by the requirements of the job. The minimum number of hours for all Supervisors except for those in the Department of Public Works shall be thirty-five (35) hours. The minimum number of all hours for Supervisors in the Department of Public Works shall be forty (40) hours. Notwithstanding the above, all Supervisors are expected to work the days and hours required for the normal execution of their management responsibilities. In the event that Supervisors work in the excess of the minimum hours required for a normal working week, as essential administrative personnel and pursuant to the terms and conditions of this Agreement, they shall not be entitled to receive any additional compensation.
- B. Compensatory time on the books as of December 31, 1996, will be frozen. This frozen compensatory time shall be bought out by the Township (or used by the employee) in accordance with a negotiated schedule, starting in 1997. The Township will purchase up to a maximum of one hundred (100) hours per calendar year, subject to the availability of funds.

**ARTICLE XI - WAGES**

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- A. All members of the Supervisors Union covered by this Agreement shall receive wage increases as follows:

1/1/2016 - 2%  
1/1/2017 - 2%  
1/1/2018 - 2%  
1/1/2019 - 2%

- B. In addition to the increase set forth in Paragraph A of this Article, the base wages for the Superintendent of Public Works shall be increased by the sum of \$2280.45 for 2016, \$2,326.06 for 2017, \$2,372.59 for 2018 and \$2,420.04 for 2019 and shall also be subject to percentage increases in future contracts. This amount, as increased pursuant to this Agreement, shall be payable in a lump sum on the first regularly scheduled payday of each year. Provided further that such employees may elect prior to each calendar year of this agreement to receive such amounts in equal bi-weekly installments to be included with his or her regularly scheduled paycheck. This amount shall be deemed part of the annual salary for each of the affected employees, and shall therefore be deemed earned proportionately throughout the year. In the event such employee terminates employment, takes a leave of absence, or has any other change in status where such leave is not earned for a portion of the year, the Township shall recover from the employee the prorated value, as increased pursuant to this Agreement. If any of the aforementioned Supervisor work 50 hours or more beyond the regularly scheduled hours during any calendar year, he will receive an additional payment of \$684.52 for 2016, \$698.21 for 2017, \$712.17 for 2018, and 726.42 for 2019 in a lump sum upon the receipt by the Township Manager of documentation to verify the actual number of hours worked beyond the regularly scheduled hours. The amount is also subject to the percentage increases in future contracts. If the Recreation Superintendent is required to work on the Horseshoe Crab Festival, Bay Run, Independence Day Celebration, Halloween Costume Parade, Haunted Hayride and New Year's Eve Party, he will be compensated at straight time in the form of compensatory time. Compensatory Time must be used by March 31 of the next calendar year and will not accumulate from year to year.
- C. Retroactive salary increases will be paid with the first regularly scheduled pay following the execution of this Contract by both parties.
- D. Current salary raises for 2016 through 2019 shall begin January 1<sup>st</sup> of each respective year.
- E. All new hires shall receive as a starting salary, a salary no greater than the base salary listed for that title for the year in which the hire is made.

COZ

- F. Base Salaries with negotiated increases shall be set forth on Exhibit C attached hereto and by this reference made a part hereof.
- G. The Township shall pay for the cost of a course in a state or county college relating to their job title, subject to approval by the Township Manager.
- H. At the Manager's sole discretion, unit members may be recommended for a market adjustment or merit based increase of no more than 6% of their base salary once during the term of the contract. No more than 3 unit members shall receive such an increase in any calendar year. Any such market adjustment must be approved by a vote of Council before being implemented.

**ARTICLE XII - LONGEVITY**

*CEY*

All longevity is eliminated as of 1/1/2012 .

**ARTICLE XII - CALL IN TIME**

- A. If the Court Administrator or Deputy Court Administrator is called to duty on his/her time off, he/she shall receive payment at the rate of time and one-half (1 and ½) and be guaranteed two (2) hours minimum work, provided the Township may require an employee to work the minimum period.
- B. The Court Administrator and Deputy Court Administrator will also receive ten (10) minutes of call-in time if they are called to do court business on their days or evenings off.

**ARTICLE XIV - UNIFORMS/EQUIPMENT ALLOWANCES**

*Ce*

- A. Employees of the Department of Public Works shall be entitled to a complement of three (3) sets of uniforms paid for by the Township. All employees shall be entitled to the replacement of any worn out uniform upon presentation to their department head so that their complement of three (3) uniforms shall remain in tact.
- B. All employees in the Department of Public Works, Planning Director, Construction Official and Recreation Superintendent shall be entitled to a shoe allowance of \$75.00 per year. Upon presentation of a voucher and receipt for the shoes to the Township Treasurer, they shall be reimbursed for the purchase of any work shoes up to a limit of \$75.00 per year.
- C. All employees in the Department of Public Works shall receive adequate foul weather clothing and replacement upon presentment of work out foul weather clothing.
- D. Employees of the Department of Public Works shall receive one (1) winter jacket each year upon presentment of a worn out jacket.

**ARTICLE XV - WORKER'S COMPENSATION**

*AK*

- A. When an employee sustains a job related injury, the employee is to receive his/her full salary from the Township, up to a maximum of one (1) year. The employee agrees to endorse over to the Township all monies reimbursed to him/her by worker's compensation, during this time period, to the extent permitted by law.
- B. After the one (1) year maximum period, the injured employee will receive worker's compensation payments only. However, accumulated sick leave and vacation time (as well as any frozen compensatory time) may be used to supplement the worker's compensation payments.

**ARTICLE XVI - GENERAL PROVISIONS**

*CEW*

- A. Supervisors shall have the use of the employee bulletin board for the posting of notices relating to meetings and official business of the Supervisors.
- B. It is agreed that representatives of the employer and the Supervisors will meet from time to time upon the request of either party to discuss items of general interest or concern which are not necessarily a grievance as such. Such meetings shall be initiated by written request of either party, and a precise agenda shall be established.
- C. Employees who are covered by this Agreement shall perform duties and responsibilities outlined in the New Jersey Department of Civil Service Job Specifications for their position and by Lower Township Administrative Code.
- D. The Township shall be responsible for printing this Agreement within 20 days of having being signed by the parties.

*CD*

**ARTICLE XVII - SUPERVISOR'S BUSINESS**

Whenever the employee of the Township who is a representative of the Supervisors is mutually scheduled to participate during working hours in negotiations, grievance proceedings, conferences or meetings, he/she shall suffer no loss of regular pay or be charged for sick leave or vacation leave.

**ARTICLE XVIII - EQUAL TREATMENT**

QY



- A. There shall be no discrimination by the Township or the Union against any employee on account of race, creed, color, national origin, nationality, ancestry, age, sex (including pregnancy), familial status, marital status, domestic partnership or civil union status, affectional or sexual orientation, gender identity or expression, atypical hereditary cellular or blood trait, genetic information, liability for military service, and mental or physical disability, perceived disability, and AIDS and HIV status.
- B. The Township may adopt and post or otherwise disseminate such rules and regulations as it may desire, provided that the same are not contrary to this Agreement. Such rules will be equitably applied and enforced. The Union shall have the right to grieve or request impact bargaining with reference to the same within ten (10) working days after the same are posted or disseminated and/or a copy sent to the Union. Failure to grieve or request impact bargaining within the proscribed ten (10) working days shall be deemed an acceptance of the new or modified rules. For the purposes of this article, "working day" shall be defined as Monday through Friday.

**ARTICLE XIX – SEPARABILITY AND SAVINGS**

*Cey*

If any provision of this Agreement or any application of this Agreement to any employee or group of employees is held to be invalid by operation of law or by a court or other tribunal of competent jurisdiction, such provision shall be inoperative but all other provisions shall not be effected thereby and shall continue in full force and effect.

**ARTICLE XX - MANAGEMENT RIGHTS**

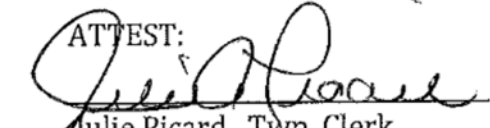
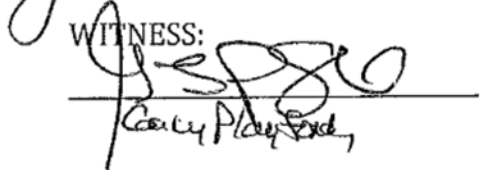
*CEY*

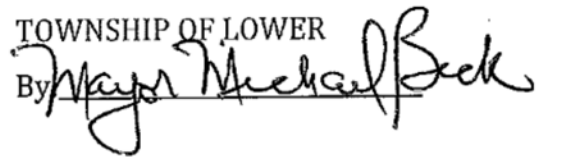
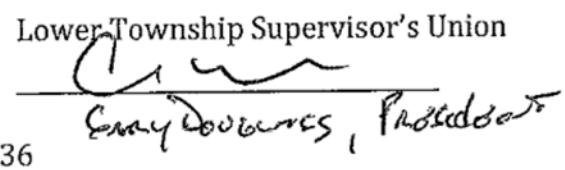
- A. The Township hereby retains and reserves unto itself without limitation all powers, rights, authority, duties and responsibilities conferred upon and vested in it prior to the signing of this Agreement by the Laws and Constitution of the State of New Jersey and of the United States, including, but without limiting the generality of the foregoing, the following rights:
1. The executive, managerial and administrative control of the Township government and its properties and facilities and the activities of its employees;
  2. To hire all employees and subject to the provisions of law, to determine their qualifications and controls for continued employment or assignment and to promote and transfer employees;
  3. To suspend, demote, discharge or take other disciplinary action for good and just cause according to law.
- B. The exercise of the foregoing powers, rights, authority, duties and responsibilities of the Township, the adoption of policies, rules and regulations and practices in furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms hereof and in conformance with the Constitution and Laws of New Jersey and of the United States.
- C. Management shall have the right to institute technological improvements within the department subject only to the limitations contained herein. "Technological improvement" is defined as a change in procedures, equipment or method of operation which has the effect of increasing the efficiency of the operation of the department, or lowering the manpower requirements of the department. In the event technological improvements are introduced, the department will endeavor, or as far as practicable, to institute these improvements in such a manner that there will be at least possible hardships to employees. Should the union feel that an injustice has been committed in such action, they may file a grievance under the Agreement. The sole issue for the arbitrator shall be: "did the department act arbitrarily or capriciously in instituting the technological improvements?"
- D. Nothing contained herein shall be constructed to deny or restrict the Township of its powers, rights, authority, duties and responsibilities under Title 40 and Title 11 of New Jersey Statutes, or any other national, state, county or local laws or ordinances.

**ARTICLE XXI - TERM AND RENEWAL**

This Agreement shall be in full force and effect as of January 1, 2016 and shall remain in effect to and including December 31, 2019. This Agreement shall continue in full force and effect from year to year thereafter, unless one party or other gives notice, in writing, at least thirty (30) days to change, modify or terminate this Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seal at Township of Lower, New Jersey, this \_\_\_ day of \_\_\_\_, 2016.

ATTEST:  
  
Julie Picard, Twp. Clerk  
  
WITNESS:  
  
Nancy Playford

TOWNSHIP OF LOWER  
By   
Mayor Michael Beck  
  
Lower Township Supervisor's Union  
  
Nancy Douglas, President

COY

Exhibit C

37

# Horizon BCBSNJ: NJ DIRECT15

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31

Coverage for: All Coverage Types | Plan Type: FL

New Jersey State Health Benefits Program



**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml) or by calling 1-609-292-7524.

Important Questions	Answers	Why this Matters:
What is the overall deductible?	<b>\$100</b> person / <b>\$250</b> family for out-of-network services only.	You must pay all the costs up to the <b>deductible</b> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <b>deductible</b> starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the <b>deductible</b> .
Are there other deductibles for specific services?	No.	You don't have to meet <b>deductibles</b> for specific services, but see the chart starting on page 2 for other costs for services this plan covers.
Is there an out-of-pocket limit on my expenses?	Yes. In-network coinsurance limit <b>\$400</b> person / <b>\$1,000</b> family; Active employee medical out-of-pocket limit <b>\$5,480</b> person / <b>\$10,960</b> family. Retiree medical out-of-pocket limit <b>\$5,499</b> person / <b>\$10,998</b> family. Out-of-network providers <b>\$2,000</b> person / <b>\$5,000</b> family.	The <b>out-of-pocket limit</b> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.
What is not included in the out-of-pocket limit?	Premiums, balance billed charges and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <b>out-of-pocket limit</b> .
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes any limits on what the plan will pay for <b>specific</b> covered services, such as office visits.
Does this plan use a network of providers?	Yes. For a list of in-network providers, see <a href="http://www.HorizonBlue.com/shbp">www.HorizonBlue.com/shbp</a> or call 1-800-414-SHBP (7427).	If you use an in-network doctor or other health care <b>provider</b> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <b>provider</b> for some services. Plans use the term in-network, <b>preferred</b> , or participating for <b>providers</b> in their <b>network</b> . See the chart starting on page 2 for how this plan pays different kinds of providers.
Do I need a referral to see a specialist?	No. You don't need a written referral to see a specialist.	You can see the in-network <b>specialist</b> you choose without permission for this plan.
Are there services this plan doesn't cover?	Yes.	Some of the services this plan doesn't cover are listed on page 5 & 6. See your policy or plan document for additional information about <b>excluded services</b> .

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).  
 If aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at [www.ebsa.healthreform.gov](http://www.ebsa.healthreform.gov) or call 1-609-292-7524 to request a copy.

# Horizon BCBSNJ: NJ DIRECT15

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2015  
 Coverage for: All Coverage Types | Plan Type: PPO  
 New Jersey State Health Benefits Program



- Copayments are fixed dollar amounts (for example, \$15) you pay for covered health care, usually when you receive the service.
- Coinsurance is *your* share of the costs of a covered service, calculated as a percent of the allowed amount for the service. For example, if the plan's allowed amount for an overnight hospital stay is \$1,000, your coinsurance payment of 20% would be \$200. This may change if you haven't met your deductible.
- The amount the plan pays for covered services is based on the allowed amount. If an out-of-network provider charges more than the allowed amount, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the allowed amount is \$1,000, you may have to pay the \$500 difference. (This is called balance billing.)
- This plan may encourage you to use in-network providers by charging you lower deductibles, copayments and coinsurance amounts.

Common Medical Event	Services You May Need	Your Cost If You Use an In-network Provider	Your Cost If You Use an Out-of-network Provider	Limitations & Exceptions
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	\$15 copay/visit	30% coinsurance after deductible	none
	Specialist visit	\$15 copay/visit	30% coinsurance after deductible	Chiropractic care is limited to 30 visits combined per calendar year. Out-of-network coverage for chiropractic and acupuncture services are limited to no more than \$35 a visit for chiropractic and \$60 a visit for acupuncture or 75% of the in network cost per visit, whichever is less.
	Other practitioner office visit	\$15 copay/visit	30% coinsurance after deductible	One routine physical per calendar year.
If you have a test	Preventive care/screening/immunization	No Charge	Not Covered	none
	Diagnostic test (x-ray, blood work)	No Charge	30% coinsurance after deductible	none
	Imaging (CT/PET scans, MRIs)	No Charge	30% coinsurance after deductible	Requires pre-approval

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).  
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# Horizon BCBSNJ: NJ DIRECT15

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2016

Coverage for: All Coverage Types | Plan Type: PPO

New Jersey State Health Benefits Program

Common Medical Event	Services You May Need	Your Cost If You Use an In-network Provider		Your Cost If You Use an Out-of-network Provider		Limitations & Exceptions	
If you need drugs to treat your illness or condition More information about prescription drug coverage is available through your employer.	Generic drugs	See separate Prescription Drug Plan SBC					none
	Preferred brand drugs						
	Non-preferred brand drugs						
If you have outpatient surgery	Specialty drugs	See separate Prescription Drug Plan SBC					none
	Facility fee (e.g., ambulatory surgery center)	No Charge	30% coinsurance after deductible	none			
	Physician/surgeon fees	No Charge	30% coinsurance after deductible	none			
If you need immediate medical attention	Emergency room services	\$75 copay/visit	\$75 copay/visit	\$50 copay/visit for physician referrals or pediatric (under age 19) ER visits; and if admitted within 24 hours, the copayment is waived. Payment at the in-network level applies only to true Medical Emergencies & Accidental Injuries.			
	Emergency medical transportation	10% coinsurance	30% coinsurance after deductible	Limited to local emergency transport to the nearest facility equipped to treat the emergency condition.			
	Urgent care	\$15 copay/visit	30% coinsurance after deductible	none			
If you have a hospital stay	Facility fee (e.g., hospital room)	No Charge	30% coinsurance after deductible	Requires pre-approval. There is a separate \$200 deductible per inpatient stay for out-of-network facilities.			
	Physician/surgeon fee	No Charge	30% coinsurance after deductible	Requires pre-approval.			

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-609-292-7524 to request a copy.



# HORIZON BCBSNJ: NJ DIRECT15

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2016  
 Coverage for: All Coverage Types | Plan Type: PPO  
 New Jersey State Health Benefits Program

Common Medical Event	Services You May Need	Your Cost If You Use an In-network Provider	Your Cost If You Use an Out-of-network Provider	Limitations & Exceptions
If you have mental health, behavioral health, or substance abuse needs	Mental/Behavioral health outpatient services	\$15 copay/visit	30% coinsurance after deductible	Some specialty outpatient services require pre-approval. Inpatient services require pre-approval. There is a separate \$200 deductible per inpatient stay for out-of-network facilities.
	Mental/Behavioral health inpatient services	No Charge	30% coinsurance after deductible	
	Substance use disorder outpatient services	No Charge	30% coinsurance after deductible	
	Substance use disorder inpatient services	No Charge	30% coinsurance after deductible	
	Prenatal and postnatal care	\$15 copay/visit	30% coinsurance after deductible	
	Delivery and all inpatient services	No Charge	30% coinsurance after deductible	
If you are pregnant	Home health care	No Charge	30% coinsurance after deductible	Requires pre-approval.
	Rehabilitation services	\$15 copay/visit	30% coinsurance after deductible	Requires pre-approval.
	Habilitative services	\$15 copay/visit	30% coinsurance after deductible	Requires pre-approval. Limited to 120 days in-network and 60 out-of-network facility days for a combined maximum of 120 days per calendar year. There is a separate \$200 deductible per inpatient stay for out-of-network facilities.
	Skilled nursing care	No Charge	30% coinsurance after deductible	Requires pre-approval for all rentals and some purchases.
	Durable medical equipment	10% coinsurance	30% coinsurance after deductible	Requires pre-approval. There is a separate \$200 deductible per inpatient stay for out-of-network facilities.
If you need help recovering or have other special health needs	Hospice service	No Charge	30% coinsurance after deductible	

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).  
 If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-609-292-7524 to request a copy.

# Horizon BCBSNJ: NJ DIRECT15

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2016

Coverage for: All Coverage Types | Plan Type: PPO

New Jersey State Health Benefits Program

If your child needs dental or eye care	Eye exam	\$15 copay/visit	Not Covered	Limited to one exam every 12 months.
		Glasses	Not Covered	Not Covered
	Dental check-up	Not Covered	Not Covered	none

## Excluded Services & Other Covered Services:

Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)	
<ul style="list-style-type: none"> <li>Cosmetic surgery</li> <li>Dental care (Adult)</li> </ul>	<ul style="list-style-type: none"> <li>Long-term care</li> <li>Private-duty nursing (inpatient)</li> <li>Routine foot care</li> <li>Weight loss programs</li> </ul>

Other Covered Services (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)	
<ul style="list-style-type: none"> <li>Acupuncture (for pain management only)</li> <li>Bariatric surgery (requires pre-approval)</li> <li>Chiropractic care (limited to 30 visits/year)</li> </ul>	<ul style="list-style-type: none"> <li>Hearing aids (Only covered for members age 15 or younger, maximums apply)</li> <li>Infertility treatment (requires pre-approval)</li> <li>Non-emergency care when traveling outside the U.S. (subject to deductible/coinsurance and balance billing)</li> <li>Routine eye care (Adult)</li> </ul>

## Your Rights to Continue Coverage:

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a **premium**, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply. For more information on your rights to continue coverage, contact the plan at 1-800-414-SHBP (7427). You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cco.ccms.gov](http://www.cco.ccms.gov).

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).

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# **Horizon BCBSNJ: NJ DIRECT15**

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2016  
Coverage for: All Coverage Types | Plan Type: PPO  
New Jersey State Health Benefits Program

## **Your Grievance and Appeals Rights:**

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to appeal or file a grievance. For questions about your rights, this notice, or assistance, you can contact: Horizon Blue Cross Blue Shield of New Jersey Member Services at 1-800-414-SHBP (7427). You may also contact the Department of Labor's Employee Benefits Security Administration at 1-866-444-ERBSA (3272) or [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform).

## **Does this Coverage Provide Minimum Essential Coverage?**

The Affordable Care Act requires most people to have health care coverage that qualifies as "minimum essential coverage." This plan or policy does provide minimum essential coverage.

## **Does this Coverage Meet the Minimum Value Standard?**

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). This health coverage does meet the minimum value standard for the benefits it provides.

## **Language Access Services:**

Spanish (Español): Para obtener asistencia en Español, llame al 1-609-292-7524.

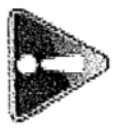
*To see examples of how this plan might cover costs for a sample medical situation, see the next page.*

**Questions:** Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).

If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-609-292-7524 to request a copy.

## About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is not a cost estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.  
See the next page for important information about these examples.

### Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$7,350
- Patient pays \$190

Sample care costs:	
Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventative	\$40
<b>Total</b>	<b>\$7,540</b>
<b>Patient pays:</b>	
Deductibles	\$0
Copays	\$20
Coinsurance	\$0
Limits or exclusions	\$170
<b>Total</b>	<b>\$190</b>

### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$1,050
- Patient pays \$4,350

Sample care costs:	
Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventative	\$100
<b>Total</b>	<b>\$5,400</b>
<b>Patient pays:</b>	
Deductibles	\$0
Copays	\$150
Coinsurance	\$0
Limits or exclusions	\$4,200
<b>Total</b>	<b>\$4,350</b>

Please note that some of the Limits or Exclusions listed above may be covered under the Prescription Plan.

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).  
If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-609-292-7524 to request a copy.

## Questions and answers about the Coverage Examples:

### What are some of the assumptions behind the Coverage Examples?

- Costs don't include premiums.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network providers. If the patient had received care from out-of-network providers, costs would have been higher.

### What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how deductibles, copayments, and coinsurance can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

### Does the Coverage Example predict my own care needs?

**No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

### Does the Coverage Example predict my future expenses?

**No.** Coverage Examples are not cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your providers charge, and the reimbursement your health plan allows.

### Can I use Coverage Examples to compare plans?

**Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

### Are there other costs I should consider when comparing plans?

**Yes.** An important cost is the premium you pay. Generally, the lower your premium, the more you'll pay in out-of-pocket costs, such as copayments, deductibles, and coinsurance. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

**Questions:** Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).  
If you aren't clear about any of the underlined terms used in this form, see the Glossary. You can view the Glossary at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform) or call 1-609-292-7524 to request a copy.

**Freestanding RX:**  
**Local Government/Education HMO and PPO 10/15**

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2016  
 Coverage for: **All Coverage Types** | Plan Type: **Rx**  
 New Jersey SHBP/SEHBP



**This is only a summary.** If you want more detail about your coverage and costs, you can get the complete terms in the policy or plan document at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml) or by calling **1-609-292-7524**.

Important Questions	Answers	Why this Matters:
What is the overall <u>deductible</u> ?	<b>\$0</b>	You must pay all the costs up to the <b>deductible</b> amount before this plan begins to pay for covered services you use. Check your policy or plan document to see when the <b>deductible</b> starts over (usually, but not always, January 1st). See the chart starting on page 2 for how much you pay for covered services after you meet the <b>deductible</b> .
Are there other deductibles for specific services?	No.	You don't have to meet <b>deductibles</b> for specific services, but see the chart starting on page 2 for other costs for services this plan covers.
Is there an <u>out-of-pocket limit</u> on my expenses?	Yes. <b>\$1,370</b> person/ <b>\$2,740</b> family	The <b>out-of-pocket limit</b> is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services. This limit helps you plan for health care expenses.
What is not included in the <u>out-of-pocket limit</u> ?	Premiums, balance billed charges and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the <b>out-of-pocket limit</b> .
Is there an overall annual limit on what the plan pays?	No.	The chart starting on page 2 describes any limits on what the plan will pay for <b>specific</b> covered services, such as office visits.
Does this plan use a <u>network of providers</u> ?	Yes: For a list of in-network pharmacies, see <a href="http://www.express-scripts.com/statenj">www.express-scripts.com/statenj</a> or call Express Scripts at 1-866-220-6512.	If you use an in-network doctor or other health care <b>provider</b> , this plan will pay some or all of the costs of covered services. Be aware, your in-network doctor or hospital may use an out-of-network <b>provider</b> for some services. Plans use the term in-network, <b>preferred</b> , or participating for <b>providers</b> in their <b>network</b> . See the chart starting on page 2 for how this plan pays different kinds of providers.
Do I need a referral to see a <u>specialist</u> ?	See separate Medical Plan SBC.	See separate Medical Plan SBC.
Are there services this plan doesn't cover?	See separate Medical Plan SBC.	See separate Medical Plan SBC.

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**Freestanding RX:**

**Local Government/Education HMO and PPO 10/15**

**Summary of Benefits and Coverage: What this Plan Covers & What it Costs**



- Copayments are fixed dollar amounts (for example, \$15) you pay for covered health care, usually when you receive the service.
- Coinsurance is *your* share of the costs of a covered service, calculated as a percent of the allowed amount for the service. For example, if the plan's allowed amount for an overnight hospital stay is \$1,000, your coinsurance payment of 20% would be \$200. This may change if you haven't met your deductible.
- The amount the plan pays for covered services is based on the allowed amount. If an out-of-network provider charges more than the allowed amount, you may have to pay the difference. For example, if an out-of-network hospital charges \$1,500 for an overnight stay and the allowed amount is \$1,000, you may have to pay the \$500 difference. (This is called balance billing.)
- This plan may encourage you to use in-network providers by charging you lower deductibles, copayments and coinsurance amounts.

Common Medical Event	Services You May Need	Your Cost If You Use an In-network Provider	Your Cost If You Use an Out-of-network Provider	Limitations & Exceptions
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
	Specialist visit			
If you have a test	Other practitioner office visit	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
	Preventive care/screening/immunization			
	Diagnostic test (x-ray, blood work)			
	Imaging (CT/PET scans, MRIs)			

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**Freestanding RX:**  
**Local Government/Education HMO and PPO 10/15**  
 Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Common Medical Event	Services You May Need	Your Cost If You Use an In-network Provider	Your Cost If You Use an Out-of-network Provider	Limitations & Exceptions
If you need drugs to treat your illness or condition	Generic drugs	\$3 copay/30 day supply at a retail pharmacy/ \$5 copay/90 day supply by mail order	In-network copays apply. You are responsible for any charges above the allowed amount.	Utilization Management programs may apply.
	Brand drugs	\$10 copay/30 day supply at a retail pharmacy/ \$15 copay/90 day supply by mail order	In-network copays apply. You are responsible for any charges above the allowed amount.	Utilization Management programs may apply.
More information about <u>prescription drug coverage</u> is available through your employer.	Specialty drugs	Brand or generic copayments apply.	Not Covered	Utilization Management programs may apply. Specialty drugs are only available by mail order.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
	Physician/surgeon fees	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
If you need immediate medical attention	Emergency room services	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
	Emergency medical transportation	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
	Urgent care	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
If you have a hospital stay	Facility fee (e.g., hospital room)	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
	Physician/surgeon fee	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.

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**Freestanding RX:**

**Local Government/Education HMO and PPO 10/15**

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2016

Coverage for: All Coverage Types | Plan Type: Rx

New Jersey SHBP/SEHBP

Common Medical Event	Services You May Need	Your Cost If You Use an In-network Provider	Your Cost If You Use an Out-of-network Provider	Limitations & Exceptions
If you have mental health, behavioral health, or substance abuse needs	Mental/Behavioral health outpatient services Mental/Behavioral health inpatient services Substance use disorder outpatient services Substance use disorder inpatient services	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
If you are pregnant	Prenatal and postnatal care Delivery and all inpatient services Home health care Rehabilitation services Habilitative services Skilled nursing care Durable medical equipment Hospice service	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.
If you need help recovering or have other special health needs	Home health care Rehabilitation services Habilitative services Skilled nursing care Durable medical equipment Hospice service	See separate Medical Plan SBC.	See separate Medical Plan SBC.	See separate Medical Plan SBC.

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).

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**Freestanding RX:**

**Local Government/Education HMO and PPO 10/15**

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2016  
Coverage for: All Coverage Types | Plan Type: Rx  
New Jersey SHBP/SEHBP

If your child needs dental or eye care	Eye exam	See separate Medical Plan SBC.	See separate Medical Plan SBC.
	Glasses	See separate Medical Plan SBC.	See separate Medical Plan SBC.
	Dental check-up	See separate Medical Plan SBC.	See separate Medical Plan SBC.

**Excluded Services & Other Covered Services:**

Services Your Plan Does NOT Cover (This isn't a complete list. Check your policy or plan document for other excluded services.)

See separate Medical Plan SBC.

Other Covered Services (This isn't a complete list. Check your policy or plan document for other covered services and your costs for these services.)

See separate Medical Plan SBC.

**Your Rights to Continue Coverage:**

If you lose coverage under the plan, then, depending upon the circumstances, Federal and State laws may provide protections that allow you to keep health coverage. Any such rights may be limited in duration and will require you to pay a **premium**, which may be significantly higher than the premium you pay while covered under the plan. Other limitations on your rights to continue coverage may also apply. For more information on your rights to continue coverage, contact the plan at 1-866-220-6512. You may also contact your state insurance department, the U.S. Department of Labor, Employee Benefits Security Administration at 1-866-444-3272 or [www.dol.gov/ebsa](http://www.dol.gov/ebsa), or the U.S. Department of Health and Human Services at 1-877-267-2323 x61565 or [www.cdcio.cms.gov](http://www.cdcio.cms.gov).

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).  
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## **Freestanding RX:**

### **Local Government/Education HMO and PPO 10/15**

Summary of Benefits and Coverage: What this Plan Covers & What it Costs

Coverage Period: 01/01/2016 - 12/31/2016

Coverage for: All Coverage Types | Plan Type: RX

New Jersey SHBP/SEHBP

#### **Your Grievance and Appeals Rights:**

If you have a complaint or are dissatisfied with a denial of coverage for claims under your plan, you may be able to appeal or file a grievance. For questions about your rights, this notice, or assistance, you can contact Express Scripts at 1-866-220-6512. You may also contact the Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform).

#### **Does this Coverage Provide Minimum Essential Coverage?**

The Affordable Care Act requires most people to have health care coverage that qualifies as "minimum essential coverage." This plan or policy does provide minimum essential coverage.

#### **Does this Coverage Meet the Minimum Value Standard?**

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). This health coverage does meet the minimum value standard for the benefits it provides.

#### **Language Access Services:**

Spanish (Español): Para obtener asistencia en Español, llame al 1-609-292-7524.

*To see examples of how this plan might cover costs for a sample medical situation, see the next page.*

Questions: Call 1-609-292-7524 or visit us at [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml).

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## About these Coverage Examples:

These examples show how this plan might cover medical care in given situations. Use these examples to see, in general, how much financial protection a sample patient might get if they are covered under different plans.



**This is not a cost estimator.**

Don't use these examples to estimate your actual costs under this plan. The actual care you receive will be different from these examples, and the cost of that care will also be different.

See the next page for important information about these examples.

### Having a baby (normal delivery)

- Amount owed to providers: \$7,540
- Plan pays \$90
- Patient pays \$7,450

#### Sample care costs:

Hospital charges (mother)	\$2,700
Routine obstetric care	\$2,100
Hospital charges (baby)	\$900
Anesthesia	\$900
Laboratory tests	\$500
Prescriptions	\$200
Radiology	\$200
Vaccines, other preventive	\$40
<b>Total</b>	<b>\$7,540</b>

#### Patient pays:

Deductibles	\$0
Copays	\$10
Coinsurance	\$0
Limits or exclusions	\$7,440
<b>Total</b>	<b>\$7,450</b>

### Managing type 2 diabetes (routine maintenance of a well-controlled condition)

- Amount owed to providers: \$5,400
- Plan pays \$3,810
- Patient pays \$1,590

#### Sample care costs:

Prescriptions	\$2,900
Medical Equipment and Supplies	\$1,300
Office Visits and Procedures	\$700
Education	\$300
Laboratory tests	\$100
Vaccines, other preventive	\$100
<b>Total</b>	<b>\$5,400</b>

#### Patient pays:

Deductibles	\$0
Copays	\$220
Coinsurance	\$0
Limits or exclusions	\$1,370
<b>Total</b>	<b>\$1,590</b>

Please note that some of the Limits or Exclusions listed above may be covered under the Medical Plan.

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## Questions and answers about the Coverage Examples:

What are some of the assumptions behind the Coverage Examples?

- Costs don't include **premiums**.
- Sample care costs are based on national averages supplied by the U.S. Department of Health and Human Services, and aren't specific to a particular geographic area or health plan.
- The patient's condition was not an excluded or preexisting condition.
- All services and treatments started and ended in the same coverage period.
- There are no other medical expenses for any member covered under this plan.
- Out-of-pocket expenses are based only on treating the condition in the example.
- The patient received all care from in-network **providers**. If the patient had received care from out-of-network **providers**, costs would have been higher.

What does a Coverage Example show?

For each treatment situation, the Coverage Example helps you see how **deductibles**, **copayments**, and **coinsurance** can add up. It also helps you see what expenses might be left up to you to pay because the service or treatment isn't covered or payment is limited.

Does the Coverage Example predict my own care needs?

\***No.** Treatments shown are just examples. The care you would receive for this condition could be different based on your doctor's advice, your age, how serious your condition is, and many other factors.

Does the Coverage Example predict my future expenses?

\***No.** Coverage Examples are not cost estimators. You can't use the examples to estimate costs for an actual condition. They are for comparative purposes only. Your own costs will be different depending on the care you receive, the prices your **providers** charge, and the reimbursement your health plan allows.

Can I use Coverage Examples to compare plans?

✓**Yes.** When you look at the Summary of Benefits and Coverage for other plans, you'll find the same Coverage Examples. When you compare plans, check the "Patient Pays" box in each example. The smaller that number, the more coverage the plan provides.

Are there other costs I should consider when comparing plans?

✓**Yes.** An important cost is the **premium** you pay. Generally, the lower your **premium**, the more you'll pay in out-of-pocket costs, such as **copayments**, **deductibles**, and **coinsurance**. You should also consider contributions to accounts such as health savings accounts (HSAs), flexible spending arrangements (FSAs) or health reimbursement accounts (HRAs) that help you pay out-of-pocket expenses.

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