

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF SALEM
AND
FRATERNAL ORDER OF POLICE, OHIO LABOR COUNCIL, INC.**

The parties agree to a change in the health insurance plan from Anthem Blue Cross and Blue Shield Lumenos E3-Z H.S.A. plan to Medical Mutual Super Med Plus \$3000 Share PPO plan effective August 1, 2012.

The parties further agree that the City, through the Auditor's Office, shall continue to provide health club memberships for employees and their eligible dependents pursuant to the terms and conditions of the prior Anthem plan, subject to the agreed upon changes as referenced in the attachments hereto.

The parties also agree to continue the refundable co-pays associated with the prior Anthem plan, subject to the agreed upon changes as referenced in the attachments hereto, which will now be administered by the City Auditor rather than through a third party administrator with employees submitting quarterly to the Auditor's Office for co-pay refunds.

The parties agree that the changes in health insurance plan, together with the additional provisions as listed above, are equal to or better than the current health insurance plan as required in the contract language.

FOR THE UNION

FOR THE EMPLOYER

Brent J. Miller

John C. Miller

UNION PRESIDENT

Mayor

Date: 08/07/2012

Date: 08/06/2012

Membership

at the

Salem Community Center, Salem Fitness Club or Columblana Workout Center

You may enroll at the facility of your choice by simply indicating that you would like to enroll in the City of Salem program and completing an application at the facility. Although the Salem Fitness Club is open 24 hours a day, their office is open on a limited basis (see below for the current office hours). Current City members at these three facilities are required to have their current cards or keys replaced.

Enrollment will include employee and may include the spouse and all children above the age of 18, but less than 26 years of age. All 18 to 26 year old children MUST have a permanent address at the home of the employee. Once an employee or family member enrolls at the facility chosen by the employee, each person will be issued a card or key which must be used for admission to the facility, as well as a means to monitor the number of visits. Please make sure that you or each family member does this to receive credit for each visit. If you workout more than once a day, the card or key issued will only count one visit in a 24 hour period.

Each facility will bill the City of Salem for 100% of the cost of your membership, although employees will be responsible to pay fees for all children under the age of 18.

Each facility will provide a monthly usage report which tracks the usage of each employee, spouse and children 18 - 26. This report will be monitored by the Service/Safety Director.

If an employee fails to visit a minimum of 52 times per year, they will be given an option to continue their membership personally, without City funding, prior to dropping their membership. As agreed, a minimum of 52 visits includes spouses and children 18 - 26, as well. If your spouse or eligible children 18 - 26 are not going to use the facility at least 52 times per year, we ask that they do not enroll under the City plan. If minimal or no usage of the facility for an enrollee is evident, a review of the membership may be discussed with the employee by the Service/Safety Director.

If any employee, spouse, or children 18 - 26 wants to wait and sign up later this year, the usage will be prorated, for the first year only. All memberships for this program will be on an August 1st to July 31st basis. For employees enrolling later in the first year the required number of visits will be prorated for the year. For example, if an employee, spouse, or children between ages 18 - 26 enrolls on November 1; their number of visits required for the year would be 39. (52 required, times 75%, November - July). Using this same method, if an employee, spouse, or children 18 - 26 have a doctor's order which states that they are unable to participate in any physical or rehab activity at the chosen facility for a defined period of time greater than one month, a prorated number of visits will be deducted from the 52 visits per year requirement.

A spouse or children 18 - 26 may not sign up prior to the employee applying. If the employee fails to utilize the chosen facility for the 52 visit minimum, all other family memberships will be ineligible for City funding.

Employees, spouses and children 18 - 26 may not go in and out of the program. Once enrolled, you are expected to take advantage of the facility and each visit will count towards your required visits per year.

Salem Fitness Club office hours are:

- Monday - Thursday: Noon - 6:00PM
- Friday : Noon - 5:00PM
- Saturday : 9:00AM - Noon

07/24/12
 John C. ...
 07/24/12
 Phil Brent ... Police Union Pres.

If we stay with Anthem ERC (Our Current Insurance)

Benefits will stay the same with still using the ERC (secondary insurance)

Anthem is only offering to sign with City for 1 year contract.

Anthem came back to the City with 3% increase instead of 8% after Anthem found out there was competition for our business.

Gym memberships are offered by Anthem at any subscribing location as part of their premium cost.

The Unions are paying the City 11% of insurance premium. Estimated total cost for Anthem hospitalization with their 3% increase is \$1,165,782.

Medical Mutual PPO (11)

Medical Mutual is offering to sign with the City for a 2 year contract beginning 8/1/2012 and ending 7/31/2014. *JCB 65.*

Estimated total annual cost for Medical Mutual is \$997,451. This will continue for 2 years. *B.S. JCB*

No secondary insurance, they will process claims. They handle the T.P.A. work internally and will not require employees to ask for reimbursement. *JCB 65.*

Employees can use any pharmacy or 90 day mail in order pharmacy without paying the full cost up front and waiting for reimbursement. Employees only need to pay copay up front. *JCB 65.*

No health fair day, but the City will offer a day when employees can get a flu shot from the Salem Health Department. *B.S. JCB*

Gym membership will be limited to one location. The City is willing to pickup 100% membership for single, family, employee/spouse or employee/child as done with Anthem but for one location only. This is the same as Anthem, but Anthem issued swipe cards. *B.S. JCB*

Everyone on the membership has to belong to one location. Each membership (person) must use the gym 52 times a one year. If not, the City will not continue to pay. An employee or family member with a legitimate reason for not meeting the requirement (such as medical injury) shall not be subject to loss of the benefit subject to verification of reason. This will also include employees not covered by the City for health insurance. (Currently 79 of 83 full-time employees are covered by city hospitalization.) *B.S. JCB*

The City will reimburse the employee annually up to \$500.00 of the increase in copay for Doctor and Prescription per year. This is the same as Anthem, but with MMO a cap of \$500.00 annual reimbursement will be instituted. The reimbursement will be paid quarterly and handled by the City Auditor, not a T.P.A. If Medical Mutual is accepted for 2012, the reimbursed amount will be \$250.00 for the balance of 2012. The reimbursement will cover the proposed increase in doctor copay from \$10.00 to \$20.00 and prescriptions from \$5/\$12/\$12 to \$10/\$20/\$40 or 30 day supply. Mail order supply from \$10/\$24/\$24 to \$10/\$40/\$80. A form will be supplied by the City and a copy of prescription bills and/or doctor bills will be required for reimbursement. *JCB 65.*

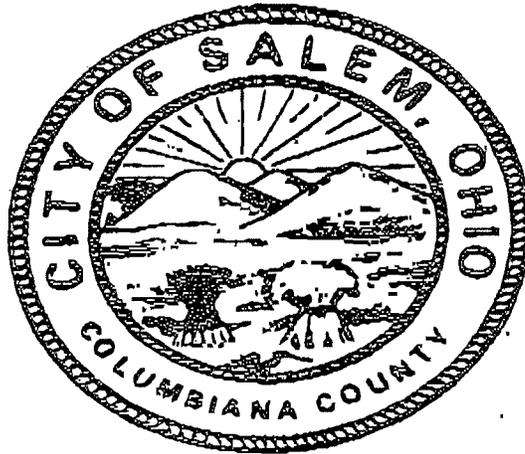
Doctors and Hospitals are to be the same as Anthem. You could check for your own doctor or hospital on-line. *JCB 65.*

The Union to offer the City 11% of insurance premium starting January 1, 2013 ~~or~~ AND THROUGH 07/31/2014 or 11% starting January 1, 2014. *JCB 65.*

Medical Mutual will accept all deductibles that have been paid to Anthem for this year which began January 1, 2012. *B.S. JCB*

W. Brent Miller POLICE UNION PRESIDENT 07/06/2012

John C. Brown, Mayor 07/06/12



What is the effective date of the plan? The effective date of the plan is August 1, 2012.

What is eligible for reimbursement? Office Visit Co-Pays
and/or
Drug Co-Pays

What is the maximum reimbursement? \$500.00 Single
\$500.00 Family

When do I file Claims? File claims once every quarter - First quarter ends October 31, 2012.

Where do I file Claims? Claims are to be turned in to Auditor's Office on attached claims form.

What is the turnaround time for reimbursement? Auditor's office prints checks once a week. Depending on what day claim is received, reimbursement could be a few days to one week.

07/24/12
John A. ...

07/24/12
Pat. Brent ...

STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD

IN THE MATTER OF :	}	
	}	
FRATERNAL ORDER OF POLICE,	}	CASE NO.(S): 11-MED-04-0628
OHIO LABOR COUNCIL, INC.,	}	11-MED-04-0629
EMPLOYEE ORGANIZATION,	}	
	}	
and,	}	
	}	
CITY OF SALEM,	}	(This will close the open case for
EMPLOYER.	}	Case No.(s): 13-MED-05-0653 &
	}	13-MED-05-0654)
	}	
	}	

FILING OF COLLECTIVE BARGAINING AGREEMENT
(Addendum)

Pursuant to Board Rule 4117-09-07, the F.O.P. Ohio Labor Council Inc. hereby files a copy of an addendum and amendment to the Collective Bargaining Agreement executed between the parties in the above captioned case(s). (See attached).

Respectfully Submitted

Tara M. Crawford
Paralegal
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222 East Town Street
Columbus, Ohio 43215
614-224-5700

cc: Mr. John C. Berlin
mayor@cityofsalemohio.org