

**BEAVER CREEK TOWNSHIP
CRAWFORD COUNTY, MICHIGAN**

ORDINANCE #39

**ADOPTED: September 11, 2012
EFFECTIVE: Date of Publication October 11, 2012**

HEALTH INSURANCE ORDINANCE

An ordinance to create and establish a township group insurance plan covering health, hospitalization, medical and surgical service and expense, for certain classes of township officers and employees and their dependents, and to authorize the township supervisor and the township clerk to contract in the name of the township for such plan; to define those classes of officers and employees who shall be covered by such group insurance plan; to provide for the payroll deduction of contributions, if any, from officers' and employee; compensation; to establish the time at which existing and future employees' shall become eligible for such plan; to provide a method of non-coverage of an officer or employee of the plan, to ratify and confirm the validity of any plan in existence on the effective date of this ordinance; and to repeal all ordinances or parts of ordinance in conflict herewith.

**TOWNSHIP OF BEAVER CREEK
CRAWFORD COUNTY, MICHIGAN**

ORDAINS

SECTION I:

This ordinance shall be known and cited as the "Beaver Creek Township Health Group Insurance Ordinance".

SECTION II:

Pursuant to Section 110b of Public Act 77 of 1989, as amended, (MCL 41.110b), the township hereby creates and establishes group insurance plan covering health, hospitalization, medical and surgical service and expense, for its officers and employees enumerated herein; and, for such purposes, also hereby authorizes the township supervisor and the township clerk to contract in the name of the township board, with any company authorized to transact such business within the State of Michigan for such group insurance policies.

SECTION III:

The group insurance plan created, established and contracted for under this ordinance shall cover each person within the following classes of officers and employees upon election or hiring:

- A. All members of the township board
 1. Supervisor, clerk, treasurer; provide a 2-person policy for elected and spouse
 2. Board trustees; provide a single policy for elected
- B. Secretary and senior maintenance person; provide a single policy if working average of 25 hours, or more, per week.
- C. Fire chief and fire fighters; provide a double policy for full-time employee and spouse.
- D. The assessor, zoning administrator and spouses of trustees, secretary or senior maintenance person may also be covered at the participants cost through payroll deduction.
- E. Family may be added to any participant's policy at their own cost through payroll deduction.
- F. For those on Medicare benefits as follows;
 1. Pay their own healthcare Medicare Part B supplemental, which is withheld from their social security.
 2. The township will pay their Part B supplemental amount and Part D drug coverage. No 20% withholding will take place from these amounts. This amount is not to exceed the amount paid by the township for its standard medical policy. The supplemental plans, currently A-N (they change yearly), may be chosen by participant.
- G. Any additional policies that are not part of the standard township medical policy are not to exceed the monthly amount paid for the standard township policies.

To qualify for such insurance coverage, the employee must complete 90 days of employment.

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SECTION IV:

The township hereby establishes a cafeteria plan pursuant to Section 125 of the Internal Revenue Code of 1986. The cafeteria plan provides a township board member or employee may elect to have health insurance coverage provided by other than the township provided and that premium shall be paid by the township up to the amount which would be paid to the township group provided. Statements shall be provided to the township clerk for the individual's alternative health coverage monthly or as often as the other carrier provides statements, but not less than quarterly.

The township shall annually contribute 80%, with a 20% participation fee (except for those on Medicare) for a single or double policy of the portion of the premium or charges arising under such health insurance coverage contract for each person within the class of persons enumerated in Section III hereof. Each person within such class shall be responsible for the remainder of the premium or charges, if any, not paid for by the township and the township treasurer is hereby authorized to deduct the same from such person's pay, salary or compensation to apply to such person's responsibility. Any person required by ordinance to make contributions to the coverage who desires not to be so covered shall give written notice to the township clerk that he/she desires not to be insured or covered and if the notice is received before the person has become insured or covered under the contract, he/she shall not be covered under the contract. If the notice is received after the individual has become insured or covered, his/her coverage under the contract shall cease as provided for in the contract.

SECTION V:

The Township hereby ratifies and confirms the validity of any health, hospitalization, medical and surgical service and expense, or any one or more of such forms of insurance in existence on the effective date of this ordinance.

SECTION VI:

The ordinance shall take effect on the date of its publication. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Sharon K. Hartman, Clerk

Adopted by township board: 9/11/2012
Effective date of publication: 10/11/2012

Thursday, October 11, 2012 - CRAWFORD COUNTY AVALANCHE - 5B

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Sharon K. Hartman
Clerk