

Article IV — Benefits

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Article IV — Benefits

§ 12-401 Uniforms.

All full-time maintenance department employees shall be furnished with uniforms by the Borough, including eleven (11) pairs of pants, eleven (11) short sleeve shirts, eleven (11) long sleeve shirts, and two (2) coats. The employees shall wear the uniforms when working and shall keep them clean and maintained. The Borough shall also reimburse each full-time maintenance department employee up to Three Hundred Dollars (\$300.00) per calendar year for work boots, to be paid upon presentation of a paid receipt.

§ 12-402 Life Insurance.

The Borough shall provide each full-time employee with life insurance in the amount of Fifteen Thousand Dollars (\$15,000.00) if the employee dies while employed as a full-time employee of the Borough and after at least sixty (60) days of employment. This life insurance protection is subject to the terms, restrictions, exclusions, conditions, and requirements of the life insurance policies obtained by the Borough from time to time with the approval of Council.

§ 12-403 Health & Hospitalization.

(a) **In General.** Subject to the payment of employee premium contributions as set forth in subsection (b.1), medical coverage is provided to full-time Borough employees effective the first day of the third calendar month following the calendar month in which the person commences employment as a full-time Borough employee. The employee may elect, from time to time, whether this coverage is to be provided to the employee alone or to the employee and the employee's spouse and/or one or more of the employee's eligible family members, except as otherwise provided in subsection (d). The terms, conditions, limitations, restrictions, deductibles, co-payments, scope of coverage, as well as the persons eligible for coverage, are described in the summary plan descriptions distributed from time to time to employees and in the health policies and contracts obtained by the Borough from time to time. Nothing in this Chapter shall provide any specific medical benefits; all such benefits shall be provided by policies as authorized from time to time by action of Council. As of January 1, 2023, the coverage provided under this Section is the product known as Gold PPO 2000/0/15, Rx 0, as offered and renamed from time to time by Capital Advantage Assurance Company (or other affiliate of Capital Blue Cross which takes over that product). To the extent this Section is inconsistent with the provisions of the current collective bargaining agreement for police officers, the provisions of the collective bargaining agreement shall apply with respect to full-time police officers other than the Chief of Police.

(b) **Continuation of Coverage in the Event of Disability.** Full-time employees who were hired before June 1, 1996 who become disabled due to a work-related illness or injury shall continue to be covered under the Borough's group health and hospitalization coverage so long as they remain disabled, but no longer than one year after the date of disability. Full-time employees who are hired after May 31, 1996 who become disabled due to a work-related illness or injury shall continue to be covered under the Borough's group health and hospitalization coverage so long as they remain disabled, but no longer than for three months after the date of disability (if the employee has not been employed for at least five years as a full-time employee), six months after the date of disability (if the employee has been employed for at least five years but has not been employed for at least ten years as a full-time employee), or one year after the date of disability (if the employee has been employed for at least ten years as a full-time employee).

(b.1) Employee Contributions to Premiums.

(1) **In General.** Except as provided in subsection (c), each full-time Borough employee must contribute each calendar month towards the premium cost for the medical coverage provided for that month under subsection (a) as elected by the employee (*e.g.*, coverage for the employee alone or for the employee and the employee's spouse and/or one or more of the employee's eligible family members). The monthly amount shall be a percentage of the premium charged to the Borough by the carrier/organization for the medical coverage option selected by the employee as set forth in paragraph (2). One-half of the monthly employee contribution shall be deducted from the first paycheck in the month, and one-half of the monthly employee contribution shall be deducted from the second paycheck in the month.

(2) **Amount of Employee Contributions.** The percentage of the monthly premium charged to the Borough which must be contributed by the full-time Borough employee is—

- (A) 2012. Five percent (5.0%) for months in calendar year 2012.
- (B) 2013. Five and one-half percent (5.5%) for months in calendar year 2013.
- (C) 2014. Zero percent (0.0%) for months in calendar year 2014.
- (D) 2015-2018. Five percent (5.0%) for months in calendar years 2015 through 2018.
- (E) 2019. Six percent (6.0%) for months in calendar year 2019.
- (F) 2020. Seven percent (7.0%) for months in calendar year 2020.
- (G) 2021-2024. Eight percent (8.0%) for months in calendar years 2021 through 2024.
- (H) 2025+. Ten percent (10.0%) for months beginning on or after January 1, 2025.

(3) **Insufficient Paycheck.** If the amount of a paycheck for an employee is less than the amount of the required payment for that payday, the employee must pay the deficiency on or before the next payday (together with the amount due on that next payday), either through an additional deduction from the next paycheck, or by a direct payment to the Borough. Otherwise, the health coverage will terminate as of the day after the next payday. However, if the deficiency occurs in the paycheck for last payday of a calendar year, the deficiency may not be paid on a pre-tax basis through the Cafeteria Plan in the following calendar year, but must be paid on an after-tax basis, either by after-tax payroll deduction or by direct payment to the Borough.

(4) **Attribution of Contributions.** All employee contributions due during a particular calendar month are used to provide health coverage for that particular calendar month, and not for a previous or succeeding calendar month, regardless of whether there are two or three paydays in that calendar month.

(c) **Waiver of Coverage.**

(1) **In General.** Except as provided in paragraph (3), a full-time Borough employee may elect to waive the medical coverage provided under subsection (a) if he/she has alternative medical coverage and provides written proof of such coverage to the Borough at the time of the election and from time to time thereafter whenever requested by the Borough. A full-time Borough employee who so waives coverage shall not be required to make the premium contributions described in subsection (b.1), and shall receive a monthly cash payment in the amount set forth in paragraph (2) for each calendar month that medical coverage is waived. Payment for any given month shall be made with the first paycheck in that month.

(2) **Monthly Cash Payment.** The amount to be received for a given month by a full-time Borough employee who waives the medical coverage provided under subsection (a) shall be thirty-five percent (35.0%) of the premium which would have been charged to the Borough for that month by the carrier/organization providing the medical coverage under subsection (a) to cover that full-time Borough employee and all of his/her eligible dependents (not including a working spouse for whom coverage may not be elected pursuant to subsection (d)).

(3) **Preference Rules.** It is understood that the minimum participation requirements of the carrier/organization providing the medical coverage under subsection (a) may require a certain minimum number or percentage of Borough employees to be covered, and that certain employees might not be counted for purposes of that calculation (such as a rule that would not count employees who decline coverage because they are covered under the plan of their spouse's employer). If the minimum participation requirements would permit an election under this subsection (c) for some, but not all, of the full-time Borough employees who must be counted for purposes of such a calculation and who desire to make the election, then as among those employees—

(A) the Chief of Police shall have the first right to make this election;

(B) the remaining full-time police officers shall have the next preference to make this election, in order of seniority (as established in the Collective Bargaining Agreement between the Borough and the collective bargaining representative of the police officers);

(C) finally, the nonuniformed full-time Borough employees shall have preference to make this election in order of their seniority, determined based on their first date of employment as a full-time employee of the Borough which has continued without interruption thereafter.

(c.1) **Cafeteria Plan.** Elections under subsections (a) and (c) to select a medical coverage option or to waive medical coverage election shall be made in accordance with the provisions of Chapter 14 (relating to Cafeteria Plan). All medical coverage benefits and cash payments in lieu of coverage shall be provided through the Cafeteria Plan, and employee contributions shall be made, where possible, through the Cafeteria Plan.

(d) **Working Spouses.** Notwithstanding anything to the contrary in this Section, no health coverage may be elected or provided under this Section for any period after December 31, 2014 with respect to a spouse of a full-time Borough employee for any month in which such spouse is eligible to participate as an employee in a group health plan sponsored by another employer, *unless* (1) no coverage for which the spouse is eligible under his/her employer's group health plan(s) provides "minimum value" within the meaning of the Patient Protection and Affordable Care Act and the regulations thereunder, *or* (2) the spouse is not reasonably expected to work an average of a least thirty (30) hours per week or at least one hundred twenty (120) days per year for the employer sponsoring the group health plan. A full-time Borough employee who desires to cover a spouse must provide, from time to time upon request, proof that the spouse is not employed, or, if employed, that the spouse is either not eligible for "minimum value" coverage under a group health plan of his/her employer or is not reasonably expected to work an average of at least thirty (30) hours per week or at least one hundred twenty (120) days per year for his/her employer.

(e) **Health Reimbursement Arrangements.** Certain deductibles and/or co-payments payable under the medical coverage provided by this Section may be reimbursable to the employee under the Health Reimbursement Arrangements provided by the Borough under Chapter 20A (relating to Health Reimbursement Arrangement for Non-Uniformed Employees) or Chapter 20B (relating to Health Reimbursement Arrangement for Police Employees).

(f) Retired Former Chief of Police.

(1) In General. If the Chief of Police retires after March 11, 2015 with entitlement to receive an immediate normal retirement benefit or disability retirement benefit under the Borough of Alburtis Police Pension Plan (Chapter 17), the Borough shall offer medical coverage for the retired former Chief of Police during his/her retirement (until terminated under paragraph (3) below) which is the same as the coverage then being provided from time to time to full-time Borough employees (*cf.*, subsection (a)), *except* that the coverage shall provide benefits for the retired former Chief of Police, and, if he/she so elects, his/her spouse (if the spouse is not yet eligible to receive Medicare), but *not* any other dependents, and the coverage shall *not* include any benefits which are reimbursed directly by the Borough (whether through a health reimbursement arrangement or otherwise) rather than through an insurance carrier, health maintenance organization, paid provider organization, or other third party. The retired former Chief of Police must elect coverage under this subsection (f) at or before the time of retirement, to take effect immediately after his/her coverage as an active employee terminates.

(2) Payments by Former Chief. If a retired former Chief of Police elects coverage under this subsection (f), the Borough shall contribute an amount each month equal towards the coverage which is equal to the *lesser* of—

(A) the monthly premium, under the rate structure in effect for the month in which the former Chief of Police retired, to provide the medical coverage in effect at that time under subsection (a) to a person who had no spouse or dependents, *less* the amount which the former Chief of Police would be required to contribute under subsection (b.1)(2) for the month in which the former Chief of Police retired if the former Chief of Police received self-only coverage for that month; or

(B) the full cost of the coverage under this subsection (f) for the given month.

However, if the former Chief of Police has become eligible to receive Medicare but coverage continues for his/her spouse who is not yet eligible to receive Medicare, the Borough shall not contribute any amount towards the spouse's coverage. Each month, the retired former Chief of Police shall pay to the Borough the difference, if any, between the amount contributed by the Borough for that month and the cost of the coverage under this subsection (f) for that month. Payment for the coverage for any given month must be received at the office of the Borough Manager on or before the first day of that month. A late fee of Twenty-five Dollars (\$25.00) shall be paid for every fifteen (15) calendar days that all or any part of any monthly payment shall remain unpaid; all payments shall be applied first to unpaid late fees.

(3) Termination of Coverage. The coverage provided under this subsection (f) for any given retired former Chief of Police will terminate upon the occurrence of the earliest of the following events:

(A) The date the retired former Chief of Police becomes eligible to receive Medicare, *except* that coverage for the spouse of the retired former Chief of Police may continue until the earliest of the date the spouse becomes eligible to receive Medicare or the date of an event described in subparagraphs (B), (C), or (D);

(B) The date the retired former Chief of Police becomes eligible to participate in any other group medical insurance program as a result of employment;

(C) The date the retired former Chief of Police elects to terminate the coverage provided under this subsection (f);

(D) The date that any amount required to be paid by the retired former Chief of Police under paragraph (2) is more than sixty (60) days past due.

Once the coverage provided under this subsection (f) terminates, it cannot be elected again at a later time.

§ 12-404 Disability.

The Borough provides disability income benefits in accordance with Chapter 16 (relating to Disability Benefits).

§ 12-405 Dental and Vision Coverage.

(a) **Dental Coverage.** Dental coverage is provided to full-time Borough employees effective the first day of the third calendar month following the calendar month in which the person commences employment as a full-time Borough employee. The employee may elect, from time to time, whether this coverage is to be provided to the employee alone or to the employee and one or more of the employee's eligible family members. As of January 1, 2023, the coverage provided under this subsection is the product known as Capital Blue Cross Dental PPO Plus 1500 Plan, as offered and renamed from time to time by Capital Advantage Assurance Company (or other affiliate of Capital Blue Cross which takes over that product). Effective April 1, 2015, this dental coverage is no longer provided automatically to full-time Borough police officers, other than the Chief of Police. However, effective January 1, 2022, full-time Borough police officers may elect to obtain this coverage, either through the Cafeteria Plan (*see* Chapter 14) or by paying for the coverage at the rate charged to the Borough on an after-tax basis by check (due two business days before the Borough must pay the premium) or through an authorized payroll deduction (deducted in the last paycheck before the Borough must pay the premium).

(b) **Vision Coverage.** Vision coverage is provided to full-time Borough employees effective the first day of the third calendar month following the calendar month in which the person commences employment as a full-time Borough employee. The employee may elect, from time to time, whether this coverage is to be provided to the employee alone or to the employee and one or more of the employee's eligible family members. As of January 1, 2023, the coverage provided under this subsection is the product known as Capital Blue Cross Vision 12/10 Plus Plan, as offered and renamed from time to time by Capital Advantage Assurance Company (or other affiliate of Capital Blue Cross which takes over that product). Effective April 1, 2015, this vision coverage is no longer provided automatically to full-time Borough police officers, other than the Chief of Police. However, effective January 1, 2022, full-time Borough police officers may elect to obtain this coverage, either through the Cafeteria Plan (*see* Chapter 14) or by paying for the coverage at the rate charged to the Borough on an after-tax basis by check (due two business days before the Borough must pay the premium) or through an authorized payroll deduction (deducted in the last paycheck before the Borough must pay the premium).

(c) **Miscellaneous.** The terms, conditions, limitations, restrictions, deductibles, co-payments, and scope of the dental and vision coverage provided under this Section, as well as the persons eligible for coverage, are described in the summary plan descriptions distributed from

time to time to employees and in the policies and contracts obtained by the Borough from time to time. Nothing in this Chapter shall provide any specific dental or vision benefits; all such benefits shall be provided by policies as authorized from time to time by action of Council. To the extent this Section is inconsistent with the provisions of the current collective bargaining agreement for police officers, the provisions of the collective bargaining agreement shall apply with respect to full-time police officers.

(d) **Health Reimbursement Arrangement.** Effective April 1, 2015, certain dental and vision expenses are reimbursable to full-time Borough police officers other than the Chief of Police under the Health Reimbursement Arrangement provided by the Borough under Chapter 20C (relating to Health Reimbursement Arrangement for Dental and Vision Expenses).

§ 12-405.1 Medical Expense Reimbursement Plan.

The Borough offers a Medical Expense Reimbursement Plan (*see* Chapter 20) to provide a means (together with the Cafeteria Plan described in Chapter 14) for eligible employees to elect to make contributions to the Plan with pre-tax dollars and receive reimbursements from the Plan for certain qualifying medical care expenses, rather than paying for such expenses with after-tax dollars.

§ 12-406 Retirement Plans.

The Borough provides retirement benefits in accordance with Chapter 17 (relating to Police Pension Plan) and Chapter 18 (relating to Nonuniformed Employees Pension Plan).

§ 12-407 Mileage Cost Reimbursement.

The Borough shall reimburse an employee for the use of a personal vehicle on authorized Borough business at the same rate as allowed by the Internal Revenue Service.

§ 12-408 Meal Reimbursement.

The Borough shall reimburse an employee up to Five Dollars (\$5.00) for any meal eaten by the employee during a meal period while the employee is away from the Borough on Borough business.

§ 12-409 Tuition Reimbursement.

A non-uniformed full-time Borough employee who desires to obtain reimbursement for tuition costs for an educational course in an area related to the employee's Borough employment must first receive approval from Council prior to enrolling in the course. (Approval may be given or withheld in the complete discretion of Council.) If the course is approved for reimbursement, the employee must pay for the course initially, but will be reimbursed by the Borough up-

on successful completion with a grade of C (or its equivalent) or better. All such courses must be taken during nonworking hours.

§ 12-410 Bonus for State Water License Certification.

Each full-time maintenance department employee who passes the Pennsylvania state certification for a water license for the first time shall receive a one-time bonus of One Thousand Dollars (\$1,000.00) less applicable deductions.

§ 12-411 Amendment or Termination.

The Borough reserves the right to alter, amend, or terminate any benefits provided to employees under this Chapter or otherwise, except to the extent of benefits vested by the occurrence of an event triggering the payment of benefits prior to the date of the alteration, amendment, or termination, or as otherwise required by law.