



Staff Report

RESOLUTION AUTHORIZING A SIDE LETTER AMENDMENT TO THE BELMONT POLICE OFFICERS ASSOCIATION MEMORANDUM OF UNDERSTANDING ADDRESSING THE VISION PLAN

Honorable Mayor and Council Members:

Summary

Staff recommends that the City Council adopt the attached resolution authorizing the City Manager to execute a side letter amendment to the Belmont Police Officers Association (BPOA) Memorandum of Understanding regarding changes to the association's vision plan.

Background

The City currently provides vision benefits to its employees through a City administered vision reimbursement program. Two plans dictate how reimbursements are administered; one plan covers employees represented by AFSCME, MMCEA and Unrepresented groups, the other plan for the employees represented by the Belmont Police Officers Association (BPOA). The City funds each of these plans by making monthly contributions of \$19.00 for each employee. At the end of each fiscal year claims are reimbursed based on the amount of funds available to each group for reimbursement.

In recent years members of the BPOA who are charged with the review and approval of claims have expressed concern over the size of claims submitted. Typically, year-end claims submitted by BPOA members have ranged between \$150.00 and \$2,000.00. The large range in submitted vision claims is largely due to the fact that the current BPOA vision reimbursement plan has no cap or limits on reimbursement (Attachment B). The plan being administered by AFSCME, MMCEA and Unrepresented plan, on the other hand, has set reimbursement caps in place.

In February 2008, Jim Christman and Peter Lotti, representatives of BPOA met and conferred with the City to discuss changes to the association's vision reimbursement plan and to amend the corresponding section in the association's memorandum of understanding (MOU) which would address the association's claim problem. The City is agreeable to amending the current BPOA memorandum of understanding (MOU) and making the proposed changes to the association's vision reimbursement plan. The BPOA representatives have met with the association members and have presented a proposal for making changes to the plan. The association membership approved the proposed changes (Attachment C) by a majority vote.

Discussion

The attached side letter amending Section 16.4 - Vision Plan in the current BPOA MOU (Attachment D) removes existing language from the MOU pertaining to how the vision plan reimbursement is administered. Further, the side letter adds language referencing the BPOA vision reimbursement plan which establishes guidelines for claim submission and administration. The proposed amendment to the current contract language allows for the BPOA vision reimbursements to be administered by the revised BPOA Vision Plan, thus providing BPOA with greater control over vision claim reimbursements.

General Plan/Vision Statement

No Impact.

Fiscal Impact

No fiscal impact.

Public Contact

Posting of the City Council agenda. A copy of this report has been provided to representatives of the Belmont Police Officers Association (BPOA).

Recommendation

Staff recommends that the Council adopt the attached resolution authorizing the City Manager to execute a side letter amendment to the current Belmont Police Officers Association (BPOA) Memorandum of Understanding regarding changes to the association's vision plan.

Alternatives

1. Approve the resolution authorizing a side letter amendment to the Belmont Police Officers Association Memorandum of Understanding addressing the vision plan.
2. Do not approve the resolution authorizing a side letter amendment to the Belmont Police Officers Association Memorandum of Understanding addressing the vision plan.
3. Provide staff with alternative direction.
4. Take no action at this time.

Attachments

- A. Resolution authorizing a side letter agreement to the Belmont Police Officers Association Memorandum of Understanding addressing the vision plan.
- B. Current BPOA Vision Reimbursement Plan.
- C. BPOA Vision Reimbursement Plan with proposed changes.
- D. BPOA Side Letter of Agreement regarding the association's vision plan.

Respectfully submitted,

Laura Kirby
Interim Human Resource Director

Jack R. Crist
City Manager

Staff Contact:
Laura Kirby, Interim Human Resources Director
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RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT
AUTHORIZING A SIDE LETTER AMENDMENT TO THE BELMONT POLICE
OFFICERS ASSOCIATION MEMORANDUM OF UNDERSTANDING
ADDRESSING THE VISION PLAN**

WHEREAS, the City of Belmont and the Belmont Police Officers Association (BPOA) have entered into a Memorandum of Understanding (MOU) that is scheduled to expire on June 30, 2011; and

WHEREAS, it is now necessary to further amend the BPOA MOU by authorizing the City Manager to execute a side letter amendment with the Belmont Police Officers Association which changes the current MOU contract language in Section 16.4 regarding the association's vision plan;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Belmont that the City Manager is authorized to execute a side letter amendment with the Belmont Police Officers Association indicating these changes.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on June 10, 2008 by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont

Attachment B

**CURRENT - CITY OF BELMONT VISION CARE REIMBURSEMENT
PLAN
BELMONT POLICE OFFICERS ASSOCIATION**

HOW THE PLAN WORKS - The City of Belmont makes a contribution for each employee per month into a special Vision Care account.

At the end of the fiscal year, the funds accumulated are drawn on to pay for valid claims of one eye examination and one pair of glasses or contact lenses. Claims are presented by employees during the year to the Finance Department at City Hall.

Example #1: If the Plan contributions and claims for the fiscal year should be as follows:

<u>Plan Contribution</u>	<u>Claims Received</u>
\$ 1,500	\$ 1,000

The employee will be reimbursed for 100% of valid claims.

Example #2: If the Plan contributions and claims for the fiscal year should be as follows:

<u>Plan Contribution</u>	<u>Claims Received</u>
\$ 1,500	\$2,000

The employee will be reimbursed to cover all claims up to and including the annual amount contributed by the City. For those employees with claims over this amount, the balance will be paid based upon a percentage of the balance of the remaining funds.

ELIGIBLE EMPLOYEES - All present employees of the group. The Plan is considered the secondary carrier. This means that the primary carrier, any present vision insurance company, will make whatever reimbursement it is liable for the and City of Belmont will only recognize claims not covered by such carriers. Any new employees and retirees will be reimbursed based upon the percentage of the fiscal year employed.

REQUEST FOR REIMBURSEMENT -A City of Belmont "BPOA Vision Reimbursement" form must be completed for each employee. The eye doctors bill for services, indicating the type of service rendered, the date of service, the cost, and proof of payment by the employee must be attached to the form. The BPOA Vision Review Committee will approve all claims for reimbursement.

All services must be completed by June 30 of each year. A separate form must be completed for each individual submitting claims. The forms should be returned at the completion of treatment and must be received by July 15th of the following fiscal year.

TERMINATION OF INSURANCE -When your employment with the City of Belmont terminates, all vision care insurance will cease. Any outstanding claims for the employee, up to the date of termination, will be considered for reimbursement on the basis of 1 /12th of normal reimbursement per month of employment from the start of the fiscal year. Any employee who voluntarily terminates or is terminated from City service with outstanding claims on file must forward his/her new "address to the Finance Department, if applicable.

REVIEW COMMITTEE -A three member Review Committee administers the Plan and reviews all claims for validity. This committee meets at least once each year. These meetings will be announced in advance and are open to all full-time employees of the group.

LATE CLAIMS -All claims received after July 15 for services provided and paid during the preceding fiscal year will be held and processed with the following year's claims.

GRIEVANCE PROCEDURE -Grievances against actions taken by the Review Committee on vision care claims will be referred to an eye doctor(s) selected by the Review Committee for final recommendation to the Committee.

EXCLUSIONS -_Any service performed for vision care covered by Medical/Health Insurance will not be covered under this Vision Care Plan.

MISCELLANEOUS -_Any covered employee may submit a proposed change(s) to this Vision Care Plan, excepting contribution amounts, in writing to the Review Committee which will take it up at their next meeting. Due to the uniqueness of this Plan, employee feedback is encouraged.

PURPOSE OF THE PLAN

The purpose of this Vision Care Plan is to provide for the correction of vision problems. Eye injuries and diseases are not covered under this plan.

DEFINITION OF EYE DOCTOR

The term "Eye Doctor" shall be construed to mean a legally qualified ophthalmologist or optometrist practicing within the scope of this plan. The "Eye Doctor" shall also include a legally qualified physician authorized by his license to perform the particular covered vision care service.

DEFINITION OF COVERED CHARGES

"Covered Vision Care Charges" mean charges not exceeding reasonable charges incurred for vision care, treatment, service and/or eye wear which is performed or ordered by an eye doctor and which is necessary for diagnosis or treatment of a vision care problem or defect.

In addition to the above limitation, each employee will be limited to one eye examination per year and to one pair of eyeglasses or contact lenses each fiscal year.

Attachment C

PROPOSED - CITY OF BELMONT VISION CARE REIMBURSEMENT PLAN
BELMONT POLICE OFFICERS ASSOCIATION

HOW THE PLAN WORKS - The City of Belmont makes a contribution for each employee per month into a special Vision Care account.

At the end of the fiscal year, the funds accumulated are drawn on to pay for valid claims of one eye examination and one pair of glasses or contact lenses. Claims are presented by employees during the year to the Finance Department at City Hall.

Example #1: If the Plan contributions and claims for the fiscal year should be as follows:

<u>Plan Contribution</u>	<u>Claims Received</u>
\$ 1,500	\$ 1,000

The employee will be reimbursed for 100% of valid claims not to exceed a total of \$400.00 per claim (including their dependent claims).

Example #2: If the Plan contributions and claims for the fiscal year should be as follows:

<u>Plan Contribution</u>	<u>Claims Received</u>
\$ 1,500	\$2,000

The employee will be reimbursed to cover all claims up to and including the annual amount contributed by the City. For those employees with claims over this amount, the balance will be paid based upon a percentage of the balance of the remaining funds.

EFFECTIVE DATE OF THE PLAN - July 1, 1988, July 1, 1992, and January 1, 2008

REIMBURSEMENT FOR VISION CLAIMS – On or about June 30th, each BPOA member will be eligible to receive reimbursement for their vision claims not to exceed a total of \$400.00 for the year. After the Association’s Dental / Vision Plan Committee members have paid all vision care benefit claims for employees covered by this vision plan, and in the event the Vision Care balance is in excess of one dollar (\$1.00) the Association’s Dental / Vision Plan Committee will review un-reimbursed dental expenses for Association members and eligible dependants, and shall utilize the Vision Care Plan balance to reimburse Association members for allowable dental expenses which had not otherwise been reimbursed through section 16.3 Dental Plan in the Memorandum of Understanding. Disbursements of excess Vision Plan Funds shall be in accordance with rules established by the Association’s Dental / Vision Plan Committee.

ELIGIBLE EMPLOYEES - All present employees of the group. The Plan is considered the secondary carrier. This means that the primary carrier, any present vision insurance company, will make whatever reimbursement it is liable for the and City of Belmont will only recognize claims not covered by such carriers. Any new employees and retirees will be reimbursed based upon the percentage of the fiscal year employed.

REQUEST FOR REIMBURSEMENT -A City of Belmont "BPOA Vision Reimbursement" form must be completed for each employee. The eye doctors bill for services, indicating the type of service rendered, the date of service, the cost, and proof of payment by the employee must be attached to the form. The BPOA Vision Review Committee will approve all claims for reimbursement.

All services must be completed by June 30 of each year. A separate form must be completed for each individual submitting claims. The forms should be returned at the completion of treatment and must be received by July 15th of the following fiscal year.

TERMINATION OF INSURANCE -When your employment with the City of Belmont terminates, all vision care insurance will cease. Any outstanding claims for the employee, up to the date of termination, will be considered for reimbursement on the basis of 1 /12th of normal reimbursement per month of employment from the start of the fiscal year. Any employee who voluntarily terminates or is terminated from City service with outstanding claims on file must forward his/her new "address to the Finance Department, if applicable.

REVIEW COMMITTEE -A three member Review Committee administers the Plan and reviews all claims for validity. This committee meets at least once each year. These meetings will be announced in advance and are open to all full-time employees of the group.

LATE CLAIMS -All claims received after July 15 for services provided and paid during the preceding fiscal year will be held and processed with the following year's claims.

GRIEVANCE PROCEDURE -Grievances against actions taken by the Review Committee on vision care claims will be referred to an eye doctor(s) selected by the Review Committee for final recommendation to the Committee.

EXCLUSIONS- Any service performed for vision care covered by Medical/Health Insurance will not be covered under this Vision Care Plan.

MISCELLANEOUS - Any covered employee may submit a proposed change(s) to this Vision Care Plan, excepting contribution amounts, in writing to the Review Committee which will take it up at their next meeting. Due to the uniqueness of this Plan, employee feedback is encouraged.

PURPOSE OF THE PLAN

The purpose of this Vision Care Plan is to provide for the correction of vision problems. Eye injuries and diseases are not covered under this plan.

DEFINITION OF EYE DOCTOR

The term "Eye Doctor" shall be construed to mean a legally qualified ophthalmologist or optometrist practicing within the scope of this plan. The "Eye Doctor" shall also include a legally qualified physician authorized by his license to perform the particular covered vision care service.

DEFINITION OF COVERED CHARGES

"Covered Vision Care Charges" mean charges not exceeding reasonable charges incurred for vision care, treatment, service and/or eye wear which is performed or ordered by an eye doctor and which is necessary for diagnosis or treatment of a vision care problem or defect.

In addition to the above limitation, each employee will be limited to one eye examination per year and to one pair of eyeglasses or contact lenses each fiscal year.

Attachment D

**CITY OF BELMONT
and
BELMONT POLICE OFFICERS ASSOCIATION

SIDELETTER OF AGREEMENT**

Vision Plan

Section 16.4 Vision Plan

The City and the Belmont Police Officers Association have agreed to replace Section 16.4 Vision Plan of the current M.O.U. with the following language:

16.4 Vision Plan: The City shall contribute nineteen dollars (\$19.00) per month to the City Vision Reimbursement Plan for each eligible employee and his/her eligible dependents. On or about each June 30th, these funds will be dispersed to the eligible members of the association using the guidelines set forth in the City of Belmont Police Officers Association Vision Care Reimbursement Plan.

Dated _____

**BELMONT POLICE OFFICERS
ASSOCIATION**

CITY OF BELMONT

By _____
Peter Lotti, President

By _____
Jack R. Crist, City Manager

Current MOU Section 16.4 Language

0.1 Vision Plan: The City shall contribute nineteen dollars (\$19.00) per month to the City Vision Reimbursement Plan for each eligible employee and his/her eligible dependents. On or about each June 30th, after the Association's Dental/Vision Plan Committee members have paid all vision care benefit claims for employees covered by this Memorandum of Understanding, and in the event the Vision Care Benefit Fund balance is in excess of one dollar (\$1.00), the Association's Dental/Vision Plan Committee will review unreimbursed dental expenses for Association members and eligible dependents, and shall utilize the Vision Plan balance to reimburse Association members for allowable dental expenses which had not otherwise been reimbursed through available funds in the City's Dental Plan. Disbursements of excess Vision Plan funds shall be in accordance with rules established by the Association's Dental/Vision Plan Committee.