

ARTICLE XXVI

RETIRED EMPLOYEE HEALTH INSURANCE REIMBURSEMENT

The Township shall provide a cash payment reimbursement to any employee who retires from the Township, to help defray the cost for the premium for their obtaining their own health insurance, with the following conditions:

1. The employee shall have been retired in accordance with the terms of PFRS.

2. Employees hired prior to January 1, 1994 shall have 25 years of service in order to be eligible for this benefit. Employees hired after January 1, 1994, shall have had 25 years of service with the Delran Township Police Department in order to be eligible for this benefit.

3. The employee will receive this benefit for a maximum of ten (10) years.

4. Employees shall have the right to choose either a maximum of \$3500 for reimbursement of health insurance only; or a sub-limit of \$1750 which may be used by an employee who is not going to be utilizing health insurance reimbursement in order to obtain prescription plan, eye exam, glasses, and/or dental coverage. The required proof of payment will be the same as is already spelled out in the contract.

5. The only exception to the above four (4) conditions will be if an employee takes early retirement for disability purposes in accordance with the terms of PFRS in which case the Township will provide this maximum \$3,500 cash reimbursement for health insurance premium paid by the disabled employee for a maximum of ten (10) years after the date of the early retirement. Only those employees having at least fifteen (15) years employment with the Township will be eligible for this benefit after taking an early retirement for disability purposes.

6. This reimbursement will be paid by the Township for a like amount paid by the retired employee. The retired employee must submit proof of payment (canceled check, paid invoice or receipt from insurance company) to the Township's Treasurer, who will make payment to the retired employee no later than thirty (30) days after submission of proof of payment by the retired employee.