

For Public Distribution: Harding Township Committee Comments on Police Benevolent Association Grievance of Health Benefits Change

In 2012 the Township Committee of Harding Township, in an effort to assist the Township and members of the Police Benevolent Association (PBA) realize savings in the ever-upward spiraling cost of health care insurance, changed the health care insurance provided by the Township to the members of the PBA. The change placed the PBA employees in a PPO plan that was more in line with the insurance coverage that the Township provides for its non-union employees.

Under legislation passed by the New Jersey Legislature and signed into law by Governor Christie, all public employees in New Jersey are required to pay a portion of their healthcare costs. In 2013, Harding PBA employees will pay 8% of their health insurance costs. A savings in 2013 of approximately \$590.00 would result for the typical PBA employee by remaining in the PPO plan rather than remaining in the Traditional Plan. This savings to PBA members would approximately double in 2014.

As part of the collective bargaining process, the PBA grieved the Township Committee's decision. The grievance was heard by Arbitrator James W. Mastriani, who ruled in favor of the PBA for the reasons articulated in his April 13, 2013, decision. Similarly, as part of that same collective bargaining process, the Township Committee appealed the Arbitrator's determination, based in part on the fact that similar type of actions taken by other municipalities had been upheld. By Order dated September 10, 2013, Judge Stephan C. Hansbury, affirmed the Arbitrator's decision primarily on the basis of specific wording in the collective bargaining agreement. A final determination has not been made whether to appeal Judge Hansbury's decision. Due to this being pending litigation, and upon advice of Counsel, it would not be appropriate for the Township Committee to make further comment.

Notwithstanding, the Township Committee respects the collective bargaining process as it continues to negotiate with the PBA in an effort to finalize a successor contract.