September 22, 2014

Marion Township Trustees
Attn: Rob Underwood
8315 SR 195
Alger, Ohio 45812

Re: Increase insurance cost beyond cap established and type of insurance

Dear Marion Township Trustees:

Question 1 presented to our office is can a Trustee increase insurance coverage and pay the amount above the cap set by resolution? The answer is in the affirmative.

Question 2 presented what type of insurance that a trustee can carry through the Township? The answer is only according to the type listed in O.R.C. 505.60

In Review of the Revised Code regulating the reimbursement of officers of a Township for health care premiums, the insurance reimbursement is established by O.R.C. 505.601. It requires that the Township adopt a resolution that states that the Township has chosen not to procure a health care plan under 505.60 and has chosen instead to reimburse it's officers and employees for out of pocket premiums attributable to coverage described in division (A) of O.R.C. 505.60. The resolution must state also a uniform monthly or annual yearly payment amount the Township will reimburse for health care premiums for health coverage the Trustees have for out of pocket premiums. The resolution also must state the specific benefits listed in Division (A) of O.R.C. 505.60.

O.R.C. 505.60(A) describes what insurance coverage is permissible for reimbursement of premiums as allowed in 505.60. The coverage allowed is hospitalization, surgical care, major medical care, disability, dental care, eye care, medical care, hearing care, prescription drugs or sickness and accidental insurance or a combination of any of the forgoing types of insurance. Additionally long term care insurance is permissible.

You asked about life insurance. This type of insurance is not listed as being permissible in O.R.C. 505.60. Therefore there cannot be reimbursement for life insurance premiums.

Please feel free to contact our office if you have any questions.

Sincerely

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Bradford W. Bailey, Prosecutor

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Larry A. Gossard, Paralegal/Office Manager