



**St. Vrain Valley School District  
Health Reimbursement Account (HRA)  
Summary Plan Description**

**Appendix I  
 Summary Plan Description  
 St. Vrain Valley School District  
 Health Reimbursement Arrangement (HRA)**

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## INTRODUCTION

**St. Vrain Valley School District** (the “Employer”) has established this Health Reimbursement Arrangement (the “HRA”). The purpose of this HRA is to reimburse Participants for certain unreimbursed medical expenses (“Eligible Medical Expenses”) incurred by the Participant or their Covered Dependents. This HRA is intended to qualify as a self-insured medical reimbursement plan for purposes of Section 105 and 106 of the Internal Revenue Code (“Code”).

This Summary Plan Description, or “SPD”, describes the basic features of the HRA, including the rights and responsibilities of covered individuals, the Employer, and the Plan Administrator(s). Attached to this SPD as Appendix A is the Plan’s Adoption Agreement, which provides important information specifically related to this HRA (e.g. the name of the sponsoring employer, Plan Administrator(s) and the maximum level of reimbursement available under this particular HRA). The Adoption Agreement may be replaced from time to time to reflect changes made to the HRA. You should check your Adoption Agreement to ensure that you have the most recent Adoption Agreement. You may contact the Employer if you have concerns that the Adoption Agreement that you have is outdated. Other appendices may be attached to this SPD to the extent referenced in this SPD. The Adoption Agreement and any other appendices referenced in this SPD are considered a part of the SPD (i.e. the SPD, the Adoption Agreement and any other applicable appendices together constitute the entire SPD).

This HRA has been established and is operated in accordance with both this SPD and the Health Reimbursement Account (HRA) Plan Document or “Plan Document”. This SPD (including the applicable appendices) has been incorporated into and made a part of the Plan Document (i.e. the Plan Document and this SPD together constitute the Plan Document for this HRA). Although the SPD has been incorporated into and made a part of the Plan Document, the terms of the Plan Document will control if there is a conflict between this SPD and the Plan Document.

This HRA is considered a component of the Employer’s medical plan (“Component Medical Plan”) specifically identified in the Adoption Agreement. Both the HRA and the Component Medical Plan should be considered a single employee benefit plan (or part of the same Employee benefit plan) even though they are described in separate documents. The governing documents for this HRA are not intended to replace, supersede, modify or revise the governing documents of the Component Medical Plan. For purposes of this SPD, the Component Medical Plan and this HRA are collectively referred to as the “Plan”.

**PART I:**  
**General Information about the Plan**

*\*You will notice that certain terms and/or phrases are capitalized throughout this SPD. These terms and/or phrases are important and you should remember them. The capitalized terms and phrases are defined either in this SPD or in the Plan Document into which this SPD is incorporated.*

**Q-1. What is the HRA?**

Generally, the HRA is an employer provided reimbursement account. The HRA works as follows:

- The Employer establishes a notional account called a Health Reimbursement Account (“Reimbursement Account”) for each Participant (see Q-2 for more information on how to become a Participant).
- Each Plan Year, the Employer allocates a specified amount of employer contributions, called “HRA Dollars”, to each Participant’s Reimbursement Account for reimbursement of Eligible Medical Expenses. You generally do not contribute to the Reimbursement Account.
- Unlike Health FSA amounts, you do not necessarily forfeit HRA dollars that you do not use during a specific Plan Year.

**Q-2. Who is eligible for this HRA?**

You and your eligible dependents may be eligible to participate in this HRA if you are an Employee of the Employer and you elect to, and are eligible to, participate in the Component Medical Plan identified in the Adoption Agreement. Eligible employees who become covered under this HRA are called “Participants”.

You may be able to enroll your eligible dependents in the Component Medical Plan when you enroll, during annual enrollment, or during the Plan Year to the extent permitted by the Component Medical Plan.

In addition, the Component Medical Plan must allow you to enroll a newly acquired dependent if you request enrollment within the time period set forth in the Component Medical Plan documentation

You and your dependents may be permitted to enroll in the Component Medical Plan during the Component Medical Plan’s initial enrollment period, the annual enrollment period, or during the Plan Year to the extent permitted by the Component Medical Plan (e.g., during a special enrollment period or another qualified change of status). For a detailed description of the eligibility and enrollment rules of the Component Medical Plan, please refer to the governing documents for the Component Medical Plan (e.g. Component Medical Plan Document or SPD).

**Q-3. Are my dependents covered under the HRA?**

If you become a Participant and also elect coverage for your eligible dependents under the Component Medical Plan, you may also be reimbursed for Eligible Medical Expenses incurred by your Covered Dependents. A “Covered Dependent” for purposes of this HRA is any individual who meets the definition of Spouse or Dependent Child under the Component Medical Plan.

**Q-4. What is the effective date of coverage under this HRA?**

Coverage under this HRA for an Eligible Employee and Covered Dependent(s) begins on the applicable date identified in the “Effective Date of Coverage” section of the Adoption Agreement. In no event will the coverage under this HRA begin before the earlier of the effective date of this HRA or the effective date of coverage under this HRA. The effective date of this HRA is identified in the Adoption Agreement.

**Q-5. When does coverage under this HRA end?**

Coverage for a Participant and/or Covered Dependent ends on the same date that coverage under the Component Medical Plan ends. However, you, your covered spouse, and/or your covered child(ren) may be eligible to continue coverage under this HRA and the Component Medical Plan in accordance with federal law beyond the date that coverage would otherwise end if coverage is lost for certain reasons. In addition, you may be able to “spend down” your Account, but you can opt out of any spend down at any time. Your continuation of coverage rights and responsibilities are generally described in Q-18 herein. All HRA dollars that are not applied towards Eligible Medical Expenses incurred before your coverage termination date in accordance with Q-15 of this SPD are forfeited.

If you have lost coverage during a leave of absence that qualifies under the Family and Medical Leave Act (“FMLA”) or the Uniformed Services Employment and Reemployment Rights Act (“USERRA”), you may have rights to reinstatement in the Plan as set forth in the Employer’s internal policies and procedures established in accordance with FMLA and USERRA.

**Q-6. What happens to my HRA coverage if I take a leave of absence from the Employer?**

Your coverage under this HRA during a paid or unpaid leave of absence will be treated in the same manner that coverage under the Component Medical Plan is treated during a leave of absence. For a detailed summary of the continuation rights under the Component Medical Plan during a leave of absence, please refer to the governing documents of the Component Medical Plan and/or your Employee Handbook.

**Q-7. What is an “Eligible Medical Expense”?**

An “Eligible Medical Expense” that may be reimbursed under this HRA plan are those expenses that are applied toward the annual deductible (individual or family) as described in the Component Medical Plan, for Participating Employees and/or their Covered Dependents.

In no event will the following expenses be eligible for reimbursement:

- any expense that is not applicable to the annual calendar year deductible (individual or family) of the Medical Component Plan
- any expenses incurred for qualified long term care services (as defined in Code Section 106)
- expenses incurred *prior to the date* that coverage under this HRA becomes effective
- expenses incurred *after the date* that coverage under this HRA ends
- Expenses that have been reimbursed by another plan or for which you plan to seek reimbursement under another health plan.

**Q-8. What is a Health Reimbursement Account?**

Once you become a Participant, the Employer establishes a Reimbursement Account for you. The Reimbursement Account is a notional bookkeeping account that keeps a record of HRA Dollars allocated to your account and reimbursements made to you under this HRA (except as otherwise noted in the Adoption Agreement). You have no property rights in the Reimbursement Account.

**Q-9. Who contributes to my Reimbursement Account?**

While you are an active employee, the Employer allocates HRA Dollars to your Reimbursement Account. You do not contribute to the Reimbursement Account (except during COBRA). In fact, federal laws prohibit you from contributing to your Reimbursement Account with any portion of a pre-tax salary reduction made under a Code Section 125 cafeteria plan. You may, however, be required to pay the “applicable premium” for continuation of HRA coverage under COBRA (please refer to Q-18 below for more information regarding Continuation Coverage).

**Q-10. How are HRA dollars allocated to my Reimbursement Account?**

Each Plan Year, the Employer allocates a specified amount of HRA dollars to your Reimbursement Account. The maximum annual HRA Dollar amount is identified in the “HRA Dollars” section of the Adoption Agreement. The amount of HRA Dollars allocated to your Reimbursement Account is determined in the sole discretion of the Employer and may vary depending on circumstances such as family status. Nevertheless, the annual amount of HRA Dollars allocated to each Participant’s Reimbursement Account will be determined in a uniform and non-discriminatory manner in comparison to other similarly situated employees.

In addition, HRA Dollars will be allocated to your Reimbursement Account in accordance with the “HRA Dollars” section of the Adoption Agreement (e.g. all at once at the beginning of the year or periodically throughout the year on a pro-rata basis).

**Q-11. What happens if I do not use all of the HRA Dollars allocated to my Reimbursement Account during the Plan Year?**

Unlike Health FSA dollars, if you do not use all of the HRA Dollars allocated to your Reimbursement Account in accordance with Q-10 of this SPD, all or a portion of the HRA Dollars may remain in your Reimbursement Account for future reimbursement of Eligible Medical Expenses. The amount of unused HRA Dollars that you may “carry over” is described in the “Carryovers and Account Maximum” section of the Adoption Agreement. Any funds that you are not entitled to carry over will be forfeited and returned to the employer.

**Q-12. Is there a limit on how much can be allocated to my Reimbursement Account?**

The amount in your Reimbursement Account can never exceed the Reimbursement Account Maximum identified in the “Carryovers and Account Maximum” section of the Adoption Agreement. Any HRA Dollars that you would otherwise be entitled to under the terms of this HRA will be forfeited to the extent your Reimbursement Account has reached its Reimbursement Account Maximum. If your Reimbursement Account has reached the Reimbursement Account Maximum, your Reimbursement Account will be temporarily closed until such time as your Reimbursement Account balance is less than the maximum. At such time you will be entitled to receive your share of HRA Dollars, not to exceed the Reimbursement Account Maximum, at the next regularly scheduled allocation. For example, if HRA Dollars are allocated each January 1, and your Reimbursement Account balance goes below the Reimbursement Account maximum in July, you will receive an HRA Dollar allocation the following January 1.

**Q-13. What is the maximum amount of reimbursement that I may receive under the HRA?**

The maximum reimbursement amount that you can receive is equal to your Reimbursement Account balance at the time the request for reimbursement is processed.

**Q-14. Can I change my level of coverage under the HRA during the Plan Year?**

If you change your level of coverage under the Component Medical Plan during the Plan Year (e.g. single to family/family to single) and there is a different HRA Dollar allocation associated with the new level of coverage, your annual HRA Dollar allocation may be adjusted to the extent described in the “Changing Coverage” section of the Adoption Agreement. All adjustments (if any) will be applied prospectively only.

**Q-15. How do I receive reimbursement under the HRA?**

The Plan reimburses expenses that are otherwise deemed eligible by the Component Medical Plan and are applicable to the annual individual and/or family deductible. A regularly scheduled electronic file will be provided to the HRA Plan Administrator from the Component Medical Plan Administrator indicating claims activity eligible for HRA plan reimbursement. If the expense is determined to not be an Eligible Medical Expense, you will receive notification of this determination.

Your HRA claim is deemed filed when the HRA Plan Administrator receives it. If your claim for reimbursement is approved, you will be provided reimbursement as soon as reasonably possible following the determination. Any unclaimed reimbursement amounts (e.g., failing to cash a reimbursement check) will be forfeited and returned to the Employer if not claimed (or cashed) by the date identified in the “Unclaimed Payments” section of the Adoption Agreement. If your claim for reimbursement is denied, in whole or in part, you will be notified in accordance with the HRA’s claims review procedures described in Q-16 below.

Electronic Payment Card: If your employer offers this option, the Electronic Payment Card (the “Card”) allows you to pay for Eligible Medical Expenses at the time that you incur the expense. Here is how the Electronic Payment Card works.

(a) *You must make an election to use the Card.* In order to be eligible for the Card, you must agree to abide by the terms and conditions of the Card program as set forth herein and in the Cardholder Agreement issued in conjunction with the Card, including any fees applicable to participate in the Card program, limitations as to Card usage, the Plan’s right to withhold and offset for ineligible claims, etc. You must agree to abide by the terms of the Card program when you first enroll and during each Annual Election Period. The Card will not be activated if you do not affirmatively agree to abide by the terms of the Card program during the preceding Annual Election Period.

(b) *The Card will be turned off when employment or coverage terminates.* The Card will be turned off when you terminate employment or coverage under the Plan. You may not use the Card during any applicable COBRA continuation coverage period.

(c) *You must certify proper use of the card.* As specified in the Cardholder Agreement, you certify during the applicable election period that the Card will only be used for Eligible Medical Expenses and that you have not been reimbursed for the expense and that you will not seek reimbursement for the expense from any other source. Failure to abide by this certification will result in termination of Card use privileges.

(d) *Reimbursement under the Card is limited to certain merchants.* Use of the Card is limited to merchants identified by the HRA Plan Administrator or its designee as an eligible merchant. In addition, the Card will be administered in accordance with applicable IRS guidance.

(e) *You swipe the Card at the merchant like you do any other credit or debit card.* When you incur an Eligible Medical Expense at an eligible merchant, you swipe the Card at the merchant much like you would a typical credit or debit card. The merchant is paid for the expense up to the maximum reimbursement amount available under the Reimbursement Account. Every time you swipe the Card, you certify to the Plan that the

expense for which payment under the HRA is being made is an Eligible Medical Expense, that you have not been reimbursed from any other source and you will not seek reimbursement from another source.

(f) *You must obtain and retain a receipt/third party statement each time you swipe the Card. You must obtain a third party statement from the merchant (e.g., receipt, invoice, etc.) that includes the following information each time you swipe the Card:*

- The nature of the expense (e.g., what type of service or treatment was provided).
- The date the expense was incurred or the period during which the services were provided.
- The amount of the expense.

You must retain this receipt for one year following the close of the Plan Year in which the expense is incurred. Even though payment is made under the Card arrangement, a written third party statement is generally required to be submitted (except as otherwise provided in the Cardholder Agreement or as otherwise permitted under applicable law and associated guidance). You will receive a notification from the HRA Plan Administrator if a third party statement is needed. You must provide the third party statement to the HRA Plan Administrator within the period identified in the notification from the HRA Plan Administrator.

(g) *You must pay back any improperly paid claims. If you are unable to provide adequate or timely substantiation as requested by the HRA Plan Administrator, you must repay the Plan for the unsubstantiated expense as set forth below. In addition, your usage of the card may be terminated by the Employer.*

(h) *You can use either the payment card or the traditional paper claims approach. You have the choice as to how to submit your eligible claims. If you elect not to use the Electronic Payment Card, you may also submit claims under the traditional paper claims approach discussed above. Claims for which the Electronic Payment Card has been used cannot be submitted as traditional paper claims.*

#### **Q-16. What happens if my claim for benefits is denied?**

If you are denied a benefit under the Plan, you should proceed in accordance with the following claims review procedures:

**Step 1:** *Notice is received from the HRA Plan Administrator.* If your claim is denied, you will receive written notice from the HRA Plan Administrator that your claim is denied as soon as reasonably possible as but no later than 30 days after receipt of the claim. For reasons beyond the control of the HRA Plan Administrator, the HRA Plan Administrator may take up to an additional 15 days to review your claim. You will be provided written notice of the need for additional time prior to the end of the 30-day period. If the reason for the additional time is that you need to provide additional information, you will have 45 days from the notice of the extension to obtain and provide that information. The time period during which the HRA Plan Administrator must make a decision will be suspended until the earlier of the date that you provide the information or the end of the 45-day period.

**Step 2:** *Review your notice carefully.* Once you have received your notice from the HRA Plan Administrator, review it carefully. The notice will contain:

- The reason(s) for the denial and the Plan provisions on which the denial is based;
- A description of any additional information necessary for you to perfect your claim, why the information is necessary, and your time limit for submitting the information;
- A description of the Plan's appeal procedures and the time limits applicable to such procedures; and
- A right to request all documentation relevant to your claim.

**Step 3:** *If you disagree with the decision, file an Appeal.* If you do not agree with the decision of the HRA Plan Administrator, you may file a written appeal. You should file your appeal no later than 180 days after receipt of the notice described in Step 1. You should file your appeal with the HRA Plan Administrator. The notice of denial referenced in Step 1 above will indicate whether the Plan has 1 or 2 levels of appeal. Regardless, you should submit all information identified in the notice of denial, as necessary, to perfect your claim and any additional information that you believe would support your claim.

**Step 4:** *Notice of Denial is received from claims reviewer.* If the claim is again denied, you will be notified in writing. If the plan has established two levels of appeal, as set forth in the notice of denial, the notice will be sent no later than 30 days after receipt of the appeal by the HRA Plan Administrator. Otherwise, notice of the denial will be sent no later than 60 days after the HRA Plan Administrator receives the appeal.

**Step 5:** *Review your notice carefully.* You should take the same action that you took in Step 2 described above. The notice will contain the same type of information that is provided in the first notice of denial provided by the HRA Plan Administrator.

**Step 6 (if there is a second level of appeal as indicated in the notice of denial):** *If you still disagree with the HRA Plan Administrator's decision, file a 2nd Level Appeal with the HRA Plan Administrator.* If you still do not agree with the HRA Plan Administrator's decision, you may file a written appeal with the HRA Plan Administrator within 60 days after receiving the first level appeal denial notice from the HRA Plan Administrator. You should gather any additional information that is identified in the notice as necessary to perfect your claim and any other information that you believe would support your claim.

Other important information regarding your appeals:

- Each level of appeal will be independent from the previous level (i.e., the same person(s) or subordinates of the same person(s) involved in a prior level of appeal will not be involved in the appeal);
- On each level of appeal, the claims reviewer will review relevant information that you submit even if it is new information; and
- You cannot file suit in federal court until you have exhausted these appeals procedures.

**Q-17. What happens if I received overpayments or reimbursements are made in error from this HRA?**

If it is later determined that you and/or your Covered Dependent(s) received an overpayment or a payment was made in error (e.g., you were reimbursed for an expense under the HRA that is later paid for by the Component Medical Plan or some other medical plan), you will be required to refund the overpayment or erroneous reimbursement to the Plan.

If you do not refund the overpayment or erroneous payment, the Plan reserves the right to offset future reimbursement equal to the overpayment or erroneous payment or, if that is not feasible, to instruct the Employer to withhold such funds from your pay. If all other attempts to recoup the overpayment/erroneous payment are unsuccessful, the Employer may treat the overpayment as a bad debt, which have tax implications for you. In addition, if the HRA Plan Administrator determines that you have submitted a fraudulent claim, the Employer may terminate your coverage under this HRA (and to the extent permissible, under the Component Medical Plan), and such termination may take effect retroactively.

**Q-18. What is "Continuation Coverage" and how does it work?**

A federal law called "COBRA" requires most Employers sponsoring group health plans to offer covered Employees and certain covered family members the opportunity for a temporary extension of health care coverage (called "Continuation Coverage") in certain instances where coverage under the group health plan

would otherwise end. These rules apply to coverage under the Component Medical Plan and the HRA unless the Employer is a small Employer as defined under applicable law (generally less than 20 employees during the current year). The Plan Administrator will tell you whether the Plan is subject to these rules. Below is a description of your rights and responsibilities under the federal COBRA rules and regulations.

#### Who May Continue Coverage Under COBRA?

Since this HRA and the Component Medical Plan are considered a single Plan, you cannot continue coverage under this HRA unless you elect coverage under the Component Medical Plan. Nevertheless we have generally described your rights to continue coverage under the Plan pursuant to federal COBRA. You should also refer to the governing documents for the Component Medical Plan for additional continuation of coverage information.

Federal COBRA requires group health plans to provide “Qualified Beneficiaries” an opportunity to temporarily continue group health coverage when that coverage is lost (or should be lost) as a result of certain “Qualifying Events”. A “Qualified Beneficiary” is the employee, Spouse, or Dependent Child covered under the Plan immediately preceding the Qualifying Event. A child born to or adopted by (including a child placed for adoption with) a covered employee during the covered employee’s COBRA period is also considered a “Qualified Beneficiary” if properly enrolled.

#### When May Coverage Be Continued Under COBRA?

Coverage may only be continued if coverage is lost as a result of certain Qualifying Events. You have the right to Continuation Coverage if you lose coverage under the Plan as a result of a termination of employment (for reasons other than gross misconduct) or a reduction in your hours of employment.

Your spouse has the right to Continuation Coverage under the Plan if your spouse loses coverage under the Plan as a result of any one of the following four events:

- you terminate employment (for reasons other than gross misconduct) or have a reduction in your hours of employment (including a military leave of absence);
- you die;
- you and your spouse divorce or legally separate;
- you become entitled to Medicare;

Your covered dependent children may have the right to Continuation Coverage under the plan if your dependent children lose coverage as a result of any one of the following five events:

- you terminate employment or have a reduction in your hours of employment;
- you die;
- you and your spouse divorce or legally separate;
- you become entitled to Medicare;
- your dependent child ceases to be an eligible dependent under the Plan;

A child born to or adopted by (including a child placed for adoption with) a covered employee during the covered employee’s COBRA period is also considered a “Qualified Beneficiary” if properly enrolled.

#### Notice and Election Rules

The COBRA Administrator must send notice to Qualified Beneficiaries of the right to the continuing participation following the covered employee’s termination of employment, reduction in hours or death. If the covered spouse and/or covered dependent children lose coverage as a result of a divorce, legal separation, or dependent child ceasing to be a dependent, you or the affected Qualified Beneficiary must send notice to the COBRA Administrator identified in the Adoption Agreement within 60 days of the later of

- The event; and
- The date coverage is lost as a result of such event.

The Qualified Beneficiary will then be sent a notice of this right to continuing participation following receipt of Qualified Beneficiary's notice.

Once you and/or any other Qualified Beneficiary have been provided notice of the right to elect Continuation Coverage, an election for Continuation Coverage under the Plan must be made within 60 days of the later of the date of the notice or the date coverage is lost as a result of the Qualifying Event. If a Qualified Beneficiary fails to provide this notice to the COBRA Administrator identified in the Adoption Agreement during this 60-day notice period, the Qualified Beneficiary will lose the right to Continuation Coverage and coverage under the Plan will cease as of the last date you were eligible for coverage. Each Qualified Beneficiary has a separate and independent right to elect Continuation Coverage. A Qualified Beneficiary employee or spouse can elect coverage for any other Qualified Beneficiary. On the other hand, you may not decline Continuation Coverage for the Qualified Beneficiary spouse. A parent or guardian can elect coverage for a Qualified Beneficiary child who is a minor.

#### Duration of Coverage

Qualified Beneficiaries may continue coverage for 18 months if coverage is lost as a result of your termination of employment (for reasons other than gross misconduct) or coverage ends because of your reduction in hours of employment. Qualified Beneficiaries other than the covered employee may continue coverage under the Plan for 36 months if coverage is lost as a result of the covered employee's death, a divorce or legal separation or a dependent child ceasing to be a dependent, or you become entitled to Medicare.

If you or a Qualified Beneficiary family member, determined by the Social Security Administration to have been disabled at any time prior to the end of the first 60 days of Continuation Coverage resulting from a termination or reduction in hours of employment, COBRA may be extended from 18 months up to 29 months. You or a Qualified Beneficiary must notify the COBRA Administrator prior to the end of the end of the original COBRA period (up to 18 months) or the 60-day notice period, whichever comes first. The 60 day notice period ends 60 days after the latter of:

- The date of the determination;
- The date of the qualifying event (i.e. termination of employment);
- The date that coverage is lost as a result of the qualifying event.

If the Social Security Administration determines that you or a Qualified Beneficiary is no longer disabled while on Continuation Coverage, you or a Qualified Beneficiary must notify the COBRA Administrator within 30 days of the date the Social Security Administration's determination that you are no longer disabled.

If you become entitled to Medicare (and don't lose coverage under the Plan) and then terminate employment or have a reduction in hours of employment within 18 months of your Medicare entitlement, your Qualified Beneficiary spouse and/or covered children are eligible to receive 36 months of Continuation Coverage beginning on the Medicare entitlement date.

If COBRA coverage was elected following a termination of employment or reduction in hours of employment, additional qualifying events (such as divorce, Medicare entitlement, or death) that occur during the first 18 months (or during the disability extension discussed above) may result in an extension of the 18-month (or 29 month) continuation period to up to 36 months for the Qualified Beneficiary Spouse and/or child. In no event will Continuation Coverage last longer than 36 months from the date of the termination of employment or reduction in hours of employment. You or your Qualified Beneficiary must notify the COBRA Administrator

within 60 days of the event if a second qualifying event occurs during your Continuation Coverage period. NOTE: A second event will not entitle your Qualified Beneficiary Spouse to additional coverage unless the event would have caused a loss of coverage if it was the initial qualifying event.

Note: In all situations in which you or another Qualified Beneficiary is required to provide notice of a qualifying event (either an initial qualifying event or a subsequent qualifying event), you must identify the qualifying event, the date of the qualifying event, and the Qualified Beneficiaries impacted by the qualifying event.

#### Type of Coverage

If you choose Continuation Coverage, you are entitled to the level of coverage under the HRA in effect for you immediately preceding the qualifying event. At the beginning of each Plan Year that COBRA is in effect under this HRA, you will be entitled to an increase in your Reimbursement Account balance equal to the sum of the HRA Dollars allocated to similarly situated active participants (subject to any restrictions applicable to similarly situated active participants) so long as you continue to pay the applicable premium.

#### Cost

For the period of Continuation Coverage, the cost of such coverage will not exceed 102% of the “applicable premium”, as determined by the Employer, or 150% of the “applicable premium” during any disability extension to which you may be entitled, as determined by the Social Security Administration. The COBRA Administrator will notify you of the applicable premium. The notice you receive will describe the premium payment requirements under the Plan (e.g., who you pay the premium to, etc.).

#### Early Termination of Coverage

Your Continuation Coverage will end prior to the expiration of the 18-, 29-, or 36-month period for any of the following reasons:

- The Employer no longer provides group health coverage to any of its employees;
- The Qualified Beneficiary does not make the required payments (within the grace period);
- You or a Qualified Beneficiary on COBRA becomes covered — after the date COBRA is elected — under another group health plan (whether or not as an employee) that does not contain any applicable exclusion or limitation with respect to any pre-existing condition of the individual (this does not apply during the 1st 18 months of Continuation Coverage due to a military leave of absence);
- You or a Qualified Beneficiary on COBRA becomes entitled to Medicare after the date COBRA is elected;
- Coverage has been extended for up to 29 months due to Qualified Beneficiary’s disability and there has been a final determination that the Qualified Beneficiary is no longer disabled before the end of the 29-month period. Coverage will end the first day of the month that begins more than 30 days after the determination that you are no longer disabled.

#### **Special rule for leaves of absence due to services in the Uniformed Services:**

If a covered employee takes a leave of absence to perform services in the Uniformed Services (as addressed in the Uniformed Services Employment and Reemployment Act or “USERRA”) that is expected to last 31 days or more, the covered employee may be able to continue health coverage for the employee and any covered dependents until the earlier of 24 months from the date the leave began or the date that the employee fails to return to work as required under USERRA). The cost to continue this coverage during the 24 month period is 102% of the applicable premium. The USERRA continuation period will run concurrent with the COBRA period described herein. The rights described in this Notice apply only to the COBRA continuation period. Notwithstanding anything to the contrary in this Notice, continuation of coverage during a military leave of absence covered under USERRA will be administered in accordance with requirements of USERRA.

**Q-19. How long will the Plan remain in effect?**

Although the Employer expects to maintain the Plan indefinitely, it has the right to modify or terminate the program at any time for any reason. All modifications/terminations effectuated by the Employer will be applied to all Participants and Covered Dependents except as otherwise stated.

**Q-20. Does the Plan coordinate benefits with other Component Medical Plans?**

Only medical care expenses that have not been or will not be reimbursed by any other source may be Eligible Medical Expenses (to the extent all other conditions for Eligible Medical Expenses have been satisfied). As such, this HRA does not coordinate benefits with any other group or individual health coverage except as provided herein.

If you are also a participant in a Health Flexible Spending Arrangement (commonly referred to as a Health FSA) sponsored by your Employer that covers the same expenses as this HRA, the expenses covered both by the HRA and the Health FSA will be paid as described in the Adoption Agreement.

**Q-21. Who do I contact if I have questions about the HRA?**

If you have any questions about the HRA, you should contact the HRA Plan Administrator. Contact information for the HRA Plan Administrator is provided in the Adoption Agreement.

## **PART II: YOUR RIGHTS**

This HRA is a welfare benefit plan and, as a Plan Participant, you may be entitled to:

### **1. Receive Information about Your Plan and Benefits**

- Examine, without charge, at the Employer's office and at other specified locations, such as worksites and union halls, all documents governing the plan.
- Obtain, upon written request to the Employer, copies of all documents governing the operation of the plan.

### **2. Continue Coverage**

Continue health coverage for you, your spouse, or your dependents if there is a loss of coverage under the plan as a result of a qualifying event. However, you or your dependents may have to pay for such coverage. Review this Summary Plan Description and the documents governing the Plan on the rules governing your Continuation Coverage rights.

### **3. Prudent Actions by Plan Fiduciaries**

The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of the Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit from the Plan, or from exercising your rights.

### **4. Assistance with Your Questions**

If you have any questions about the Plan, you should contact the HRA Plan Administrator or the Employer.

**APPENDIX A**

**ADOPTION AGREEMENT**

By execution of this Adoption Agreement, the Employer adopts (or restates, if applicable) the Health Reimbursement Arrangement (the "HRA") referenced below. Notwithstanding any provision in any other document (including the Health Reimbursement Arrangement Plan Document or other portions of the Summary Plan Description into which this Adoption Agreement is incorporated as an appendix), only those benefits specifically elected by the Employer below in this Adoption Agreement shall be available under the HRA. In the event of any conflict between this Adoption Agreement and any other document with respect to benefits available under the HRA, this Adoption Agreement, as may be amended from time to time by the Employer, shall control.

The Effective Date of this Adoption Agreement is: January 1, 2016. This Adoption Agreement replaces and supersedes any other Adoption Agreement or similar document with an earlier effective date.

**I. EMPLOYER/PLAN SPONSOR/  
THIRD PARTY ADMINISTRATOR INFORMATION**

**(A) Employer/Plan Sponsor**

Name: St. Vrain Valley School District

Address: 395 S. Pratt Parkway  
Longmont, CO 80501

Telephone: 303-682-7341

Federal Tax Identification Number (EIN): 84-6014380

**(B) Component Medical Plan Administrator**

Name: CNIC Health Solutions, Inc.

Address: P. O. Box 3559  
Englewood, CO 80155

Telephone: 800-426-7453 or 303-770-5710

(C) **HRA Third Party Administrator**

Name: ConnectYourCare, LLC

Address: 307 International Circle, Suite 200  
Hunt Valley, MD 20130

Telephone: 877-292-4040

(D) **COBRA Administrator**

Name: ConnectYourCare, LLC

Address: 307 International Circle, Suite 200  
Hunt Valley, MD 20130

Telephone: 877-292-4040

**II. HRA INFORMATION**

(A) **Plan Name:** St. Vrain Valley School District Self-Funded Health Plan  
CNIC HRA Plan (the "HRA")

(B) **Plan Number:** 11101171

*NOTE: Plan Number must be identical to that of the Component Medical Plan*

(C) **Effective Dates**

1. **Effective Date of the HRA:** October 1, 2007. This is the date that the HRA was first established.

2. **Plan Document Effective Dates:** January 1, 2016. This is the most recent effective date of the Health Reimbursement Arrangement Plan Document other than Appendix I (Summary Plan Description).

3. **Summary Plan Description (SPD) Effective Dates**

- Summary Plan Description: January 1, 2016. This is the most recent date of the SPD other than Appendix A (Adoption Agreement).

- Adoption Agreement: January 1, 2016. This is the most recent date of Appendix A to the SPD.

(D) **Plan Year:** January 1 – December 31

*NOTE: Plan Year must be identical to that of the Component Medical Plan(s)*

(E) **Component Medical Plan(s).** The following are the Component Medical Plans under which this HRA is a component:

1. \_\_\_\_\_ CNIC HRA Plan \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

*(Add additional lines as needed)*

(F) **Effective Date of Coverage**

Coverage in this HRA for an eligible individual is effective as of the later of: (i) when coverage commences in the Component Medical Plan and (ii) the effective date of this HRA.

Participants may change their previous HRA elections on account of and consistent with the following events or as otherwise required under HIPAA's special enrollment rules:

- The Participant or an otherwise eligible Dependent loses coverage under a state Medicaid Plan or a state Children's Health Insurance Plan due to loss of eligibility; or
- The Participant or an otherwise eligible Dependent becomes eligible for state funded group health plan premium assistance under a state Medicaid or Children's Health Insurance Program.

The Participant must request enrollment within 60 days of the date coverage is lost or the date the Participant or Dependent is determined to be eligible for premium assistance (whichever is applicable).

(G) **HRA Dollars**

1. The annual amount of HRA Dollars that may be allocated to a Health Reimbursement Account is:

\$750.00 for Employee-only coverage under the Component Medical Plan

\$1,500.00 for Employee + Dependent coverage under the Component Medical Plan

2. HRA Dollars will be allocated to the Participant's Health Reimbursement Account in the following manner:

Annual lump-sum for employees who are participating at the beginning of a calendar year.

Pro-rated as appropriate for employees that become participants during the plan year.

(H) **Changing Coverage**

The amount of HRA dollars allocated to your Health Reimbursement Account will be adjusted as indicated below if you experience a change in status that allows you to adjust the level of coverage under the Component Medical Plan (e.g., Single coverage to family coverage; family coverage to

single coverage).

If you increase your Component Medical Plan coverage level during the Plan Year (e.g., changing from single coverage to family coverage), then you will be entitled to reimbursement under this HRA during the remainder of the Plan Year equal to the pro-rated maximum annual reimbursement amount associated with the higher-tier coverage, reduced by reimbursements made during the Plan Year but prior to the date of the coverage level change.

If you decrease your Component Medical Plan coverage level during the Plan Year (e.g., changing from family coverage to single coverage), then you will be entitled to reimbursement under this HRA during the remainder of the Plan Year equal to the maximum annual reimbursement amount associated with the lower-tier coverage, if available, reduced by reimbursements made during the Plan Year but prior to the date of the coverage level change. If reimbursements made prior to the coverage level change exceed the maximum annual reimbursement amount following the coverage level change, then you shall not be entitled to any additional reimbursements during the remainder of the Plan Year.

(I) **Eligible Medical Expenses**

Eligible expenses under the Component Medical Plan that apply to the individual and/or family annual deductible

(J) **Carryovers and Account Maximum**

1. **Carryovers:** The maximum amount (or percentage) of unused HRA Dollars that may be “carried over” from one Plan Year to the next is \$1,250 for an individual Participant and \$2,500 for a Participant with Covered Dependents.
2. **Account Maximum:** A Participant’s Health Reimbursement Account balance can never exceed: \$2,000 for an individual Participant or \$4,000 for a Participant with Covered Dependents.

(K) **Run-out Period.** The Run-out Period is the period during which expenses incurred during a Plan Year must be submitted to be eligible for reimbursement.

1. The Run-out Period for active employees ends 365 days after the last day of the Plan Year.
2. The Run-out Period for terminated employees ends at the end of the plan year following the date of termination, or at the end of your COBRA continuation period, if later.

(L) **Unclaimed Payments.** Any unclaimed reimbursement amounts (e.g., failing to cash a reimbursement check) will be forfeited and returned to the Employer if not claimed (or cashed) prior to: 120 days

(M) **Interaction with Health FSA.** See below regarding this HRA’s rules with respect to coordination with a health flexible spending account (Health FSA):

Does the Employer sponsor a Health FSA?                      X Yes [ ] No

If yes, which pays first with respect to expenses that are covered by both the HRA and the Health FSA? [*choose one*]

[ X ] HRA pays first

[     ] Health FSA pays first

(N) **Method of Funding.** HRA benefits are paid from Employer general assets.

\* \* \*

**IN WITNESS WHEREOF**, the Employer has adopted (or restated, as applicable) the Health Reimbursement Arrangement by execution of this Adoption Agreement by its duly authorized officer or representative as of the Adoption Agreement Effective Date set forth herein.

**St. Vrain Valley School District  
Authorized Agent of the Employer**

Date: \_\_\_\_\_

\_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**AMENDMENT #1  
TO THE HEALTH REIMBURSEMENT ACCOUNT (HRA)  
PLAN DOCUMENT AND SUMMARY PLAN DESCRIPTION  
FOR  
ST. VRAIN VALLEY SCHOOL DISTRICT**

**REVISION to the Plan Document and Summary Plan Description:**

**Effective January 1, 2017:**

Replace item (H) with the following:

**(H) Changing Coverage**

The amount of HRA dollars allocated to your Health Reimbursement Account will not be adjusted if you experience a change in status that allows you to adjust the level of coverage under the Component Medical Plan (e.g., Single coverage to family coverage; family coverage to single coverage). The HRA Dollars are applied once per calendar year based on your election on the later of your effective date of coverage or the election made during the annual open enrollment period.

**Effective March 1, 2017:**

Replace Q-15. with the following:

Q-15. How do I receive reimbursement under the HRA?

The Plan reimburses expenses that are otherwise deemed eligible by the Component Medical Plan and are applicable to the annual individual and/or family deductible. A regularly scheduled electronic file will be provided to the HRA Plan Administrator from the Component Medical Plan Administrator indicating claims activity eligible for HRA plan reimbursement. If the expense is determined to not be an Eligible Medical Expense, you will receive notification of this determination.

Your HRA claim is deemed filed when the HRA Plan Administrator receives it. If your claim for reimbursement is approved, you will be provided reimbursement as soon as reasonably possible following the determination. Any unclaimed reimbursement amounts (e.g., failing to cash a reimbursement check) will be forfeited and returned to the Employer if not claimed (or cashed) by the date identified in the "Unclaimed Payments" section of the Adoption Agreement. If your claim for reimbursement is denied, in whole or in part, you will be notified in accordance with the HRA's claims review procedures described in Q-16 below.

Appendix A – Adoption Agreement

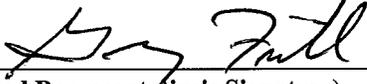
Replace item (F) with the following:

(F) **Effective Date of Coverage**

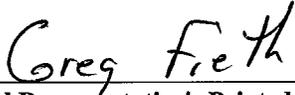
Coverage in this HRA for an eligible individual is effective as of the later of: (i) when coverage commences in the Component Medical Plan and (ii) the effective date of this HRA.

**COMPANY: ST. VRAIN VALLEY SCHOOL DISTRICT**

**APPROVED BY:**



\_\_\_\_\_  
(Authorized Representative's Signature)



\_\_\_\_\_  
(Authorized Representative's Printed Name)

DATE: 4/25/17

**AMENDMENT #1  
TO THE HEALTH REIMBURSEMENT ACCOUNT (HRA)  
PLAN DOCUMENT AND SUMMARY PLAN DESCRIPTION  
FOR  
ST. VRAIN VALLEY SCHOOL DISTRICT**

**REVISION to the Plan Document and Summary Plan Description:**

**Effective January 1, 2017:**

Replace item (H) with the following:

**(H) Changing Coverage**

The amount of HRA dollars allocated to your Health Reimbursement Account will not be adjusted if you experience a change in status that allows you to adjust the level of coverage under the Component Medical Plan (e.g., Single coverage to family coverage; family coverage to single coverage). The HRA Dollars are applied once per calendar year based on your election on the later of your effective date of coverage or the election made during the annual open enrollment period.

**Effective March 1, 2017:**

Replace Q-15. with the following:

Q-15. How do I receive reimbursement under the HRA?

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Appendix A – Adoption Agreement

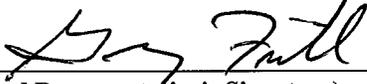
Replace item (F) with the following:

(F) **Effective Date of Coverage**

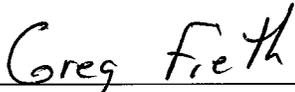
Coverage in this HRA for an eligible individual is effective as of the later of: (i) when coverage commences in the Component Medical Plan and (ii) the effective date of this HRA.

**COMPANY: ST. VRAIN VALLEY SCHOOL DISTRICT**

**APPROVED BY:**



\_\_\_\_\_  
(Authorized Representative's Signature)



\_\_\_\_\_  
(Authorized Representative's Printed Name)

**DATE:**

