

PACE-HUMAN RESOURCE POLICY/PROCEDURES	Policy #: HR705
Title: Insured Fringe Benefits HR705	

Owner: Chief Executive Officer	Revised Date: 5/22/12, 5/15/19
Approver: Chief Executive Officer, Executive Secretary	Board Approval Date: 9/28/10

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

Policy Title: Insured Fringe Benefits

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The Organization provides insured group benefit programs to assist eligible Employees in meeting the financial requirements that usually accompany retirement, death, disability or medical care. The Organization also complies with mandated governmental programs such as Social Security and Worker's Compensation.

The Chief Executive Officer makes an annual review of the Organization's existing insured fringe benefit programs and presents recommendations to the Board of Directors for approval in the annual budget. The recommendations will take account of budgetary constraints, yield and benefit of programs and known Employee priorities.

Authorities: Employee Retirement Income Security Act, Social Security legislation, Pennsylvania Workers Compensation Act, and various applicable federal and state laws and regulations affecting employee benefits.

Related Procedure:

The Organization provides eligible Employees and in some cases their eligible dependents with the following insured fringe benefits:

- Health Insurance
- Dental Insurance
- Vision Insurance
- Life and Accidental Death & Dismemberment Insurance
- Long Term Disability Insurance

Upon commencement of coverage, Human Resources will furnish applicable summary plan descriptions (SPDs), including insurance company booklets and other materials, for each insured benefit into which an eligible Employee enrolled. Covered Employees may also request SPDs from Human Resources. Questions and inquiries concerning insured fringe benefits should be addressed to the Human Resources Manager.

The Organization and, if applicable, the respective benefit plan administrators or insurance companies, reserve the maximum discretion and right permitted by law to administer and interpret these plans, as well as to amend, modify or terminate these plans at any time for any reason.

The information provided in this section is a very general description of the fringe benefits currently offered by the Organization to its eligible Employees. To find out more about eligibility, benefits, options, exclusions, limitations and other information about each of the fringe benefit plans referenced in this section, refer to each plan's SPD. In the event the

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summary in this section conflicts with the terms and conditions of coverage set forth in the formal plan documents, including the SPD, the plan documents govern and will not be modified in any way as a result of the conflict.

For some of these benefits, the Organization currently pays the entire premium cost. For other benefits, the Organization either shares the cost with the participating Employee or the participating Employee must pay the full cost of the benefit. The Organization, however, reserves the right to at any time require Employees to pay a portion or all of the cost of any or all of these benefits. For each plan year, the portion of the cost of coverage for each fringe benefit that the Organization will pay for each covered Employee and eligible and enrolled dependents, if applicable, will be set forth in the open enrollment and new hire packages for that year. Currently, the cost of coverage for each fringe benefit is allocated as set forth in the table below, with the actual amounts contained in the applicable enrollment materials:

Fringe Benefit	Allocation of Cost of Coverage
Health Insurance	The Organization and Covered Employees share in the cost depending on the tier level assigned to the Employee and the level of coverage elected by the Employee as set forth in the Premium Co-pay Schedule provided at enrollment.
Dental Insurance	The Organization and Covered Employees share in the cost depending on the tier level assigned to the Employee and the level of coverage elected by the Employee as set forth in the Premium Co-pay Schedule provided at enrollment.
Vision Insurance	The Organization pays the cost for Employee Coverage The Employee pays the cost for elected dependent coverage
Life and Accidental Death & Dismemberment Insurance	The Organization pays the cost for basic coverage for the Employee
Long Term Disability	The Organization pays the cost of coverage for the Employee

The Organization also participates in mandated governmental programs such as Social Security, Worker's Compensation, and Unemployment Compensation.

Eligibility for Participation in Insured Fringe Benefit Plans

The Organization will establish eligibility requirements for participation of Employees in the insured fringe benefit plans described in this Policy.

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Medical Plan (Health, Dental & Vision). Solely for purposes of the medical plan, all Employees classified by the Organization as regular, full-time (Ten, Eleven and Twelve Month) Employees. Part-time and Temporary Employees shall be eligible to participate if they are regularly scheduled to work 30 or more hours per week.

Insured Fringe Benefits Other Than the Medical Plan. All Employees classified by the Organization as regular full-time (Ten, Eleven and Twelve Month) Employees shall be eligible to participate in the insured fringe benefits described in this Policy (other than the medical plan). For purposes of this Policy, beginning on and after July 1, 2019, full time shall mean that the Employee is regularly scheduled to work 37.5 or more hours per week.

Employees classified by the School as being in the following categories are not eligible for the insured fringe benefits described in this Policy:

- Part time Employees, except with respect to the medical plan and provided they meet the eligibility requirements for that plan. Part-time employees employed and insured immediately prior to July 1, 2019 will continue to be eligible for benefits through December 31, 2019.
- Temporary Employees, except with respect to the medical plan and provided they meet the eligibility requirements for that plan.

Eligibility for dependents is defined by the insurance certificate for the applicable insured fringe benefit in effect at the time. For purposes of determining eligibility, Human Resources will request documents that verify the dependent's claimed status. The Organization may, at its discretion, request periodic verification of eligibility for dependent coverage.

It is understood that married partners have an affirmative responsibility to notify the Organization of the termination of the relationship through death or divorce.

For plan years beginning on and after July 1, 2019, Domestic Partners and common law spouses shall not be considered eligible for coverage under the insured fringe benefits described in this Policy; provided, however, that Domestic Partners and common law spouses that were covered under the medical, dental, and/or vision fringe benefits on June 30, 2019, shall be eligible to elect continuation coverage similar to that provided under COBRA. This means, for example, that if coverage ends for a Domestic Partner on June 30, 2019, because of this provision, the Domestic Partner will be treated as if he or she is a COBRA qualified beneficiary with a qualifying event of June 30, 2019. If the Domestic Partner would like to continue such coverage, he or she would have to make timely election and payment for such coverage as if the individual was a COBRA qualified beneficiary. Domestic Partners and common law spouse also will be offered any conversion options available under the plans.