

UTAH COUNTIES INDEMNITY POOL PERSONNEL—EMPLOYEE BENEFITS POLICY

SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW

1. The effective date of this policy is May 1, 2022.
2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.
3. This policy should also be reviewed at any time that changes to laws or rules governing employee retirement benefits are amended or recommendations are made by the UCIP CEO, which would require review and update to this policy.
4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

SECTION B PURPOSE

1. The purpose of this policy is to identify equitable and adequate Medical and Other Benefits of employment with UCIP.

SECTION C AUTHORITY

1. The Board has authority to adopt this policy under the UCIP Interlocal Agreement.

SECTION D APPLICABILITY AND SCOPE

1. This policy is applicable to all UCIP employees. No individual Director, officer or employee has the authority to waive, alter or make exception to any of these policies unless expressly provided for herein.

SECTION E DEFINITIONS

1. Board: the Board of Directors of the Utah Counties Indemnity Pool.
2. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.
3. Full-Time Employee: As defined in the Employment Classification Policy.

4. Part-Time Employee: As defined in the Employment Classification Policy.
5. Pool: the Utah Counties Indemnity Pool.
6. Temporary Employee: As defined in the Employment Classification Policy.
7. UCIP: the Utah Counties Indemnity Pool.

SECTION F POLICY STATEMENTS

UCIP provides medical and other benefits to eligible employees based on their employee classification. Full-time employees are eligible for all medical and other benefits described in this Policy, unless specifically excluded. Part-time employees are eligible for medical and other benefits as described throughout this Policy to the extent identified. Temporary employees are not eligible for any medical benefits or required by law.

Medical Benefits are provided to promote the health and wellbeing of UCIP employees which also benefits UCIP by making its employees more productive. Employees who opt out of medical benefits will not receive compensation in lieu of the benefit.

SECTION G PROCEDURES AND RESPONSIBILITIES

1. Medical Benefits

a. Health Insurance

Health Insurance for eligible employees begin at the date of hire. For the UCIP sponsored group Health Insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

b. Dental Insurance

Dental Insurance for eligible employees begin at the date of hire. For the UCIP sponsored group Dental Insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

c. Vision Insurance

Vision Insurance for eligible employees begin at the date of hire. For the UCIP sponsored group Vision Insurance coverage, UCIP pays 90% of the monthly premiums for single, double or family coverage for all full-time employees. UCIP pays 45% of the monthly premiums for single, double or family coverage for part-time employees scheduled to work 1,040 or more hours annually. UCIP does not pay any portion of the premiums for part-time employees scheduled to work less than 1,040 hours annually. The employee is responsible for any portion of monthly premiums not paid by UCIP, and may use pre-tax payroll deduction to meet that responsibility. The employee is responsible for all deductibles and co-payments.

2. Early Retiree Medical Benefits

An Early Retiree is:

- a. A retiring current UCIP employee;
- b. Who has worked for UCIP ten years or more;
- c. Who is retiring from UCIP in good standing;
- d. Who is not Medicare eligible at the time of retirement;
- e. Who has participated in UCIP's medical benefits program for ten years or more;
- f. Who is retiring under the Utah Retirement Systems.

An Early Retiree may elect to continue medical benefits consisting of dental, health and vision benefits, as provided for by UCIP's Medical Benefits Health Insurance provider(s). An Early Retiree who worked less than 20 years prior to retirement may continue these benefits for no more than five years or until Medicare eligible, whichever comes first. An Early Retiree who worked more than 20 years prior to retirement may continue these benefits for no more than ten years or until Medicare eligible, whichever comes first.

As UCIP pays medical benefits one month in advance of the coverage period, an Early Retiree electing this benefit shall pay UCIP, at least one month in advance of the coverage period, the full monthly rate of Early Retiree monthly medical benefits. Payment to UCIP is due at the first of each month. If payment is more than ten days late this Early Retiree benefit may be terminated at the CEO's discretion. In no case will UCIP pay the benefit on behalf of the employee, if the employee has not paid UCIP, which will terminate the benefit and the Early Retiree is no longer eligible for this benefit.

Early Retirees have the option to use any or all accrued vacation leave for Early Retiree monthly medical benefits payments. If the Early Retiree chooses this option, UCIP will retain the amount of accrued vacation leave that the Early Retiree requests to be used for the payment of monthly medical benefits. Any accrued vacation leave balance the Early Retiree does not designate for

the payment of the Early Retiree medical benefit shall be paid out in accordance with the Employment Termination Policy. At any time, the Early Retiree may request in writing to be paid out the balance of the accrued vacation. If the Early Retiree becomes ineligible for the Early Retiree medical benefit UCIP shall pay the balance of the Early Retiree's accrued vacation. UCIP shall pay the balance within 30 days of the written request or ineligibility.

An Early Retiree acknowledges that they are not eligible for continuing benefits (COBRA or mini COBRA) prior to or after their Early Retiree period.

An Early Retiree may terminate Early Retiree medical benefits at the end of any month with written notice by the first of the month of the last month of participation. Once an Early Retiree terminates this benefit, they are no longer eligible for this benefit.

3. Health Reimbursement Arrangement

The Board has adopted a Health Reimbursement Arrangement (HRA) in accordance with Internal Revenue Service Rules.

- a. For each calendar month a full-time employee scheduled to work 1040 or more hours annually has worked, UCIP will contribute into a Health Reimbursement Arrangement (HRA), as allowed by the Internal Revenue Service (IRS), \$50 up to a maximum of \$600 per year.
- b. For each calendar month a part-time employee scheduled to work less than 1040 annually has worked, UCIP will contribute into a Health Reimbursement Arrangement (HRA), as allowed by the Internal Revenue Service (IRS), \$25 up to a maximum of \$300 per year.
- c. Unused amounts in the HRA at the end of the calendar year can be carried forward for reimbursement in later years.
- d. Employees may request to be reimbursed the cost of a qualified medical expense, as defined in Section 213(d) of the IRS Code. The qualified medical expense must have been incurred on or after the date an employee is enrolled in the HRA program and prior to the employee's termination from employment.
- e. Employees terminated from employment must submit a valid reimbursement request within 60 days of the date of termination from employment.

4. Other Benefits

a. Group Term Life Insurance

The UCIP sponsored group Term Life coverage is available to full-time employees only. UCIP pays 100% of the monthly premiums for \$50,000 coverage for the employee and 100% of the monthly premium for \$10,000 coverage for the employee's spouse and eligible dependents.

Employees can apply for additional group Term Life limits, through UCIP's group Term Life carrier. The cost of additional group Term Life limits are the responsibility of the employee.

b. Long Term Disability Insurance

The UCIP sponsored group Long Term Disability coverage is available to full-time employees only. UCIP provides a benefit for lost wage replacement for employees in the event of a long term disability. UCIP pays 100% of contributions to the Fund created under the Public Employees' Long Term Disability Act, Utah Code Ann. §49-21-101 et. seq. 1953 as amended.

SECTION H REVISION HISTORY

1. Adopted: April 21, 2022
2. Revised: October 25, 2023
3. Revised: February 15, 2024

SECTION I APPENDICES

1. There are no appendices to this policy